

5/9/78

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Memo	Kraft & Gammill to Pres. Carter, 12 pp., re: Recommendations	5/9/78	C

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THE WHITE HOUSE
WASHINGTON

May 9, 1978

Tim Kraft
Jim Gammill

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Hamilton Jordan
Frank Moore
Phil Wise

TVA

2410

	FOR STAFFING
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ACTION
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	SCHULTZE

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	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
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	SCHNEIDERS
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	WARREN
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THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM:

TIM KRAFT

JIM GAMMILL

SUBJECT:

Tennessee Valley Authority

Background

The Tennessee Valley Authority was created during the Depression to stimulate the economic development of the Tennessee Valley. Its program has included electric power production, flood control, navigational development, fertilizer production, recreation facilities, and forestry and wildlife development.

The first years of TVA were years of unparalleled successes at reducing poverty and stimulating the economic climate throughout the Tennessee Valley. Over the years, TVA has grown to the point where it is now the nation's largest producer of electricity and the nation's largest purchaser of coal and uranium.

With the growth came changes in attitudes and priorities. Today, critics charge that in response to the immediate and long-range needs of the Tennessee Valley, TVA has acted more like a giant electric utility and less like the lead agency concerned with the economic development of the region.

Your interest in the future of TVA can be well documented. On April 15, 1977, you wrote TVA Chairman Aubrey Wagner outlining new ideas for consideration by the Board; you subsequently met with the Tennessee Valley Senators to emphasize that you would push, through your appointments to the Board, for a "new beginning" for TVA; and in July 1977, you took a major step toward implementing those new ideas by nominating S. David Freeman to the Board of Directors.

Recent Developments

On May 18, Chairman Aubrey Wagner's term expires. You will then have the opportunity to designate a new Chairman and nominate a new Member of the Board. On Friday, William Jenkins, Member of the Board, (term expiring in 1981), announced his immediate resignation, creating a second vacancy on the Board.

Jenkins's unexpected resignation has three immediate consequences. First, you are the first President since Eisenhower who will name an entire Board of Directors. Second, your upcoming trip to Oak Ridge will focus attention on the future of TVA in general, as well as, the future of the Clinch River breeder reactor. Third, on May 18, the Board will lack a quorum and will be unable to officially conduct any business.

(If the lack of a quorum becomes a severe problem, you may have an option of naming an Acting Director for thirty days under the vacancy act. Such a step was taken when the Federal Home Loan Bank Board had only one Member, and we have requested the Counsel's office to advise us whether this will be possible in this instance.)

Current Administration Policy

During his Senate confirmation hearings and as a Member of the Board, Mr. Freeman has outlined the Administration's ideas for TVA. The main points that have been stressed are:

- (1) TVA should be the model for demonstration solutions to our energy problem. New technologies that use heat now wasted, solid wastes, coal, the sun, and nuclear fuel cycles that do not involve materials that can be used for nuclear weapon production, should be developed and displayed.
- (2) TVA should encourage investments for insulation and weatherization of buildings.
- (3) TVA should redesign its rates (a) to encourage conservation, and (b) to relieve rising electricity costs for residential users, particularly low income, and the elderly, by providing them a greater share of cheaper hydroelectric power.

- (4) TVA should become more responsible for social costs of power production, including the costs of pollution.
- (5) TVA should assist small coal miners in the East to overcome marketing problems, and improve production and safety.
- (6) TVA should review its non-power production activities to insure that they emphasize community development in the region.

We have made the following assumptions.

1. The ideas put forward in your letter to Chairman Wagner and outlined above still represent your program for TVA.
2. You have been satisfied with David Freeman's performance to date.
3. You will designate Freeman as Chairman upon the departure of Aubrey Wagner.

If these assumptions are not correct, then we must revise our forthcoming recommendations substantially.

Future Nominations

The departures of Wagner and Jenkins give you the rare opportunity, and the responsibility, to determine the future of TVA by your remaining nominations to the Board. This opportunity should be taken to develop new leadership from the Board in two areas.

First, the Board must work closer with the staff. We recommend that your nominee to the nine year term replacing Chairman Wagner be someone who can support Freeman by developing specific action programs to implement his proposals. The quickest way for TVA to become a model of innovative solutions to the energy problem is by having another Board member who is an energy expert in his or her own right.

Second, the Board must reach out to the people and the institutions of the Tennessee Valley to understand their needs, explain TVA's new goals, and restore public confidence in TVA. We recommend that your nominee to the remainder of Mr. Jenkins's term be someone who can do that.

By definition we have limited our search. Given the concerns about the lack of a quorum, all pressure, including that from candidate sponsors, is in favor of sending a nomination to the Senate as soon as possible.

If the first nominee is selected, cleared, and confirmed in a relatively short time, it will lessen the pressures on selecting the second nominee and will thus allow for a more thorough search and review.

As you are aware, there have been many individuals who have expressed support in the nominations. Many of these solicited the support of leaders in their communities. Those recommendations are important to us, and our full consideration of their recommendations is equally important to those leaders. Therefore, although we hope to forward a recommendation to you as soon as possible, we will first thoroughly evaluate those candidates already identified before forwarding a recommendation.

Recommendations:

A. Designation of Chairman

1. Designate S. David Freeman as Chairman

☒ approve ☐ disapprove

2. Before any public announcement be made, you should meet briefly (five minutes) with Freeman.

☒ approve ☐ disapprove

B. Nomination to the term expiring May 18, 1987:

We will recommend for your consideration a candidate or candidates who are accomplished experts in the energy field who can help with the specific implementation of the Administration's stated proposals for TVA.

☐ approve ☐ disapprove

Give me
several names -
assess each -
Frank Conner
J

C. Nomination to the term expiring May 18, 1981:

We will recommend for your consideration several candidates who can best represent the Board to the people and constituencies of the Tennessee Valley. A special effort to identify women and minority candidates will be made.

_____ approve

_____ disapprove

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

FROM:

TIM KRAFT *TK*

JIM GAMMILL *Jim G*

SUBJECT:

Norman Clapp

Although we have not reached Mr. Clapp, we have every intention of interviewing him this week, along with the ten or so other recommended candidates.

THE WHITE HOUSE

WASHINGTON

9 May 1978

MEMORANDUM FOR

THE HONORABLE BOB S. BERGLAND
Secretary of Agriculture

Re: Sugar Policy Memo of May 2, 1978

The President reviewed the above-referenced memo and agreed that Senator Church and the sponsors of S. 2990 be notified that it would be unacceptable to the Administration. The President also approved the 13.5 cent market price objective.

Bill Simon for
Rick Hutcheson
Staff Secretary

cc: Stu Eizenstat
Charlie Schultze
Jim McIntyre
Esther Peterson
Henry Owen
Zbig Brzezinski

THE WHITE HOUSE

WASHINGTON

May 9, 1978

To Secretary Bob Bergland

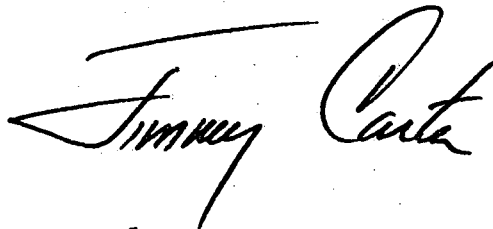
I think it is imperative for us to mount an aggressive, well-coordinated effort in support of our legislative proposal on sugar. We must hold firm on this issue, and we must be willing to wait out the Congress.

This means insisting on ratification of the International Sugar Agreement before we accept any domestic program. And it means holding absolutely firm on the levels of price and income support.

While stressing our even-handed support for crop producers, we must also cooperate fully with the consumer and other groups who are prepared to support our position.

The broader implications of this issue are extremely important. Our handling of it will be seen as an indication of our intentions toward controlling inflation. Therefore, it is crucial for us to give it special attention, and for the Administration to maintain a united front during this effort.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

The Honorable Bob S. Bergland
Secretary of Agriculture
Washington, D.C. 20250

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

May 8, 1978

Mr. President:

With regard to our memorandum on sugar policy, you asked about the costs of adopting a 14.4 cent minimum market price objective versus a 13.5 cent objective. As I see it, the principal costs are:

- ** There would be additional food price inflation of up to \$270 million.
- ** Would require that we use a higher import fee and that the fee be in effect for a longer period of time ... will therefore be viewed as more protectionistic.
- ** Slightly undercuts our argument for linking the domestic program to the ISA since the 13.5 cent price objective corresponds more closely with the 11.0 cent ISA minimum.


Stu

P.S. Given the Department of Agriculture's reluctance to press forward on this issue, I recommend you send the Secretary the attached note. (Fallows has edited)

ATTACHMENT:

Tab A - May 2 Sugar Policy Memorandum

THE WHITE HOUSE
WASHINGTON

May 8, 1978

Stu Eizenstat

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

SUGAR POLICY

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*Patti - Hold on other copies
until after SE sees Pres
(presumably today)*

ACTION
FYI

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	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
✓	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

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	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

THE WHITE HOUSE
WASHINGTON

Mr. President:

Jack Watson concurs with Option I (the 13.5 Cent Price Objective) and the general recommendations of the working group.

Congressional Liaison recommends Option III (15.0 Cent Price Objective). Because of "strong existing Senate support for the Church bill and since the bill will probably be attached as an ammendment to the enabling legislation for ISA -- it will be very difficult not to sign it. Our chances of beating the measure (which will probably have 37 co-sponsors by next week) are only fair to poor."

Rick (wds)

~~THE~~ PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

May 2, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

SECRETARY BOB BERGLAND
STU EIZENSTAT
CHARLIE SCHULTZE. CLS
JIM MCINTYRE
HENRY OWEN
ESTHER PETERSON

SUBJECT:

Sugar Policy

We decided about a year ago that an International Sugar Agreement (ISA) would be the foundation for this Administration's sugar policy. Last fall, an ISA was successfully negotiated. The agreement, to which we are now a provisional member, provides for a system of individual exporting country quotas and buffer stocks to maintain a world price between 11¢ and 21¢ per pound. However, the ISA is not now expected to attain even the minimum price level before mid-1979 at the earliest.

Senator Church has delayed hearings on ratification of the ISA until he receives assurances that the Administration will support measures to protect the domestic sweetener industry. Last week, he and 27 cosponsors introduced legislation (S. 2990) that would replace the de la Garza loan program when it expires.

For a variety of reasons, this proposal is unacceptable to your advisors. Consequently, the Working Group on Food and Agricultural Policy has been evaluating alternative policy options. With one important exception, the Group is in agreement on the policy we should propose. This memorandum seeks your concurrence with those features on which there is agreement, asks you to decide the one remaining unresolved question, and seeks your guidance on the overall political strategy we should follow.

Recommended Actions

The Working Group unanimously recommends that:

- o we reaffirm our support for the ISA;

- o we propose legislation that consolidates and replaces current authorities with respect to sugar and that we advance this in the form of a separate legislative proposal;
- o this proposal amends our current authority to propose fees on imported sugar so that the gap between the world price at U.S. ports and the domestic price objective can be fully closed, even when world prices are seriously depressed (now the fee cannot exceed one-half the world price);
- o though we would plan to rely on duties and fees to protect the domestic price, the proposal would contain standby authority to impose quotas in the event fees should prove inadequate;
- o the proposal remove the legal mandate for a loan or purchase program, as provided by the de la Garza amendment to the 1977 Farm Act; and,
- o the proposal establish a minimal domestic price objective for sugar producers based on the same average cost of production concept used for other major agriculture commodities in the 1977 farm bill (about 14 cents per pound this crop year); the minimum would be escalated annually based on changes in average production cost.

The Church Bill

S. 2990 would require the use of restrictive quotas and fees to establish an initial minimum domestic price objective of 17 cents a pound, raw value. This minimum would be adjusted quarterly by an average of the prices paid by farmers and wholesale price indices. At the end of one year, the minimum would likely be 18 cents and could exceed the 21 cent maximum in the ISA after 3 years. This program would, therefore, be inconsistent with the ISA, since there are no escalation provisions in the ISA. Also, these minimum price provisions are above market clearing levels and would stimulate an increase in domestic sugar and corn sweetener production, and the quantity of imported sugar would decline.

This bill would require us to estimate the amount of sugar needed to meet U.S. requirements and subtract from this amount the quantity of domestically produced sugar available for marketing during the year in question. The residual would be the global sugar import quota. A fee would be imposed on imported sugar to capture the quota premium for the U.S. Treasury.

The minimum support price would be 10 to 15 percent above the national average cost of producing sugar, and even further above the cost of producing high fructose corn syrup. These pricing provisions would clearly be inflationary. Each one cent increase in the price of raw sugar has the potential for increasing consumer costs \$300 million. Since the raw sugar price is now between 14.0 and 14.5 cents a pound, an increase to 17 cents would lead to an increase in consumer outlays of at least \$750 million.

For these reasons, we recommend that Senator Church and the sponsors of S. 2990 be notified that it would be unacceptable to the Administration. It will not be an easy task, however, to oppose Senators Church, Long and the other cosponsors. There is strong support for this measure among all elements of the sweetener industry except the industrial users and the sugar cane refiners. It is an unfortunate fact that the highest cost sugar cane production area is Louisiana, and the highest cost sugar beet region is Idaho-Utah.

We can mobilize strong support for our proposal and in opposing S. 2990 from consumer groups, industrial sugar users, the cane refiners, and those who support the ISA. This will require a concerted and coordinated effort.

We recommend that we vigorously oppose S. 2990 in its present form; that we seek to have introduced an Administration bill; that we work with Chairman Vanik, who intends to hold hearings in June, on a measure that the Administration can support; that we make approval of a domestic support program contingent on ratification of the ISA; and, that we hold firm to a minimum price objective based on cost of production as described above.

DECISION

☒ AGREE
☐ DISAGREE

[Handwritten signature]

Unresolved Issue

If you concur in the above recommendations, only one unresolved issue remains -- selection of a market price objective and the corresponding mechanism to be used in supporting the price; more specifically, the extent to which direct payments are to be used.

As you know, we now rely solely upon duties and fees on imported sugar to protect our domestic price support program. The USDA believes we should continue to rely primarily upon this system, although they favor maintaining standby authority for quotas and for direct payments.

As in the past, industrial users and cane refiners would support a direct payment approach while the producer/processor/corn sweetener interests oppose the use of payments. Most farmers dislike the idea of receiving the subsidy through a highly visible direct payment, preferring instead the anonymity of a higher market price. Producers also fear that a limitation on payments might be imposed -- such a limit would essentially eliminate payments to Hawaiian and some Southern cane growers and thereby undermine the entire program. The corn sweetener interests oppose payments because they see these as subsidizing a product with which they must compete.

If we propose the direct payment/import fee approach, we will have a hard fight on our hands. The producer/processor/corn sweetener lobby is well organized, well supported, and effective. On the other hand, we will have a program that is consistent with and supportive of the ISA and, at the same time, is consistent with the level of support we are providing other farm commodities. Beyond this, direct payments provide this support in a way that does not further aggravate the inflation problem.

All things considered, the odds of successfully selling the direct payment approach are probably no better than 50-50. The outcome will depend heavily on how well we mobilize the support of consumer, industrial user, and international interests.

All your advisors favor the use of direct payments in combination with import fees to provide price and income support for domestic sugar producers. However, they differ over the level at which market prices should be supported and, therefore, the extent to which direct payments should be used. CEA, DPS, State, Treasury, NSC, Henry Owen, and Esther Peterson favor a 13.5 cent market price objective, arguing that this is consistent with the ISA minimum. NSC would favor a

on foreign policy grounds but recognizes that this is not feasible politically. In adopting a 13.5 cent market price objective, we would be guaranteeing our sugar producers that they would receive at least the minimum price contained in the ISA.

OMB agrees that we should make maximum use of direct payments but feel that the approach can be made more acceptable if they are used only for price increases in the future. Since the minimum price mandated by the de la Garza program for the 1978 crop will probably be about 14.4 cents, they would use this level as the market price objective, with all assistance above that level taking the form of direct payments. Gearing payments to a 14.4 cent price objective would mean there would be no decline in market price when the program becomes effective, as would occur with the 13.5 cent price objective.

As a third option, USDA proposes using 15.0 cents as a market price objective. Beyond making the proposal more acceptable to the political opponents of a payment approach, adoption of this support level would help us avoid any budget losses associated with CCC takeover of stocks at the time the program goes in effect.

The advantages of a direct payments approach is that it is anti-inflationary, consistent with the ISA's pricing provisions, the cost of the program is borne by the taxpayer rather than the consumer, overall program cost is lower since sugar substitutes are not subsidized, and it is consistent with a free-trade philosophy. The major disadvantages are the strong political opposition and the possible interference with the operation of the current loan program. A 13.5 cent market price would mean a reduction of about a cent from the level that will be observed when legislation is approved. We must be prepared to stand firm with our position for a protracted period of time and be prepared to veto an unsatisfactory bill.

DECISION

- ? ☒ 13.5 Cent Price Objective (CEA, DPS, State, Treasury, NSC, Henry Owen, Esther Peterson)
- ☒ 14.4 Cent Price Objective (OMB)
- ☐ 15.0 Cent Price Objective (USDA)

J

Sta - What would
the 14.4 level
cost us? J
see me

T H E W H I T E H O U S E

WASHINGTON

DATE: 03 MAY 78

FOR ACTION: FRANK MOORE (LES FRANCIS)

JACK WATSON

*Concur by
plm*

attached

INFO ONLY: THE VICE PRESIDENT

JODY POWELL

ANNE WEXLER

SUBJECT: BERGLAND EIZENSTAT SCHULTZE MCINTYRE OWEN PETERSON MEMO
RE SUGAR POLICY

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM FRIDAY 05 MAY 78 +
+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

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ACTION
FYI

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WASHINGTON

DATE: 03 MAY 78

FOR ACTION: FRANK MOORE (LES FRANCIS)

JACK WATSON

XC: HL
SC
FM
Rome

INFO ONLY: THE VICE PRESIDENT

JODY POWELL

ANNE WEXLER

SUBJECT: BERGLAND EIZENSTAT SCHULTZE MCINTYRE OWEN PETERSON MEMO
RE SUGAR POLICY

+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +

+ BY: 1200 PM FRIDAY 05 MAY 78 +

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW: *enabling*

The Church Bill is already moving on a very fast track. Hearings in ^{the} Finance Committee on May 11 & 12 and floor action shortly thereafter. 34 Senators are already cosponsors and probably 37-39 by next week. The bill will probably be attached as an amendment to legislation ~~for~~ ^{for} the ISA -- legislation which would be very difficult ~~not~~ to sign. In any event, the bill already has a big head of steam in the Senate and our chances of beating the measure are only ~~one of the major obligations~~ fair to poor. Recommend option 3

(USDA)

The Church bill is a farmers' bill; it is opposed by refiners and industrial users (confectioners, soft drink manufacturers, etc.) who want the cheapest sugar possible. Our response - a payments bill - will pky into the hands of the large refiners and industrial users. (over)

✓
pg 4
Additionally, one of the major problems with a payments bill is the inevitability of a payments limitation (\$50,000 per farmer) which will destroy whatever help the bill might otherwise provide for the major Hawaiian and Florida producers.

THE WHITE HOUSE
WASHINGTON

Tuesday, May 9, 1978

MR. PRESIDENT:

Because the Winograd Commission members were in town today to present the majority and minority reports to the Executive Committee, both of the above-mentioned groups will be with the DNC Finance Council members at the reception in the East Room this afternoon.

TK

~~Electronic Copy Made
for Informational Purposes~~
THE PRESIDENT HAS SEEN.

5:15 PM

THE WHITE HOUSE
WASHINGTON

C

MEMORANDUM FOR THE PRESIDENT

FROM SOCIAL OFFICE *N. McHugh*

DATE: 8 May 1978

SUBJECT: RECEPTION FOR MEMBERS OF DNC/NFC

The 350 guests invited to this reception will be arriving at 5:00 P.M. Refreshments will be served in the State Dining Room, and a 3-piece ensemble will be performing in the Main Hall.

5:15 P.M. The PRESIDENT arrives State floor, and proceeds to East Room.

The PRESIDENT is announced at door to East Room.

Remarks by the PRESIDENT.

(Podium and lectern at east wall of East Room.)

5:30 P.M. The PRESIDENT departs State floor following completion of remarks.

Attached is a copy of the letter sent to the Finance Council Members, both current and prospective, concerning the Finance Council Meeting and the reception at the White House, for your information.

On Tuesday, May 9, the National Finance Council will hold our second meeting in Washington -- and I want to personally invite you to attend and participate.

I'll be providing you with important background information on the current state of party affairs and on our prospects for the 1978 elections.

In addition, there will be an informative special briefing on domestic and fiscal policy by Administration and Congressional representatives such as the Honorable Michael Blumenthal, Secretary of the Treasury, Jim McIntyre, Director of the Office of Management and Budget, Stuart Eizenstat, Assistant to the President for Domestic Affairs, and Congressman Al Ullman, Chairman of the House Ways and Means Committee.

After the meeting, we will leave the hotel for a reception with the President at the White House.

The meeting will commence at 1:30 p.m. in the Presidential Ballroom of the Capital Hilton Hotel -- 16th and "K" Streets, N.W. and I certainly hope to see you there.

As you may know, I've been active in Texas state politics for some thirty-five years, and in national Democratic politics for a good twenty years. During that time I've had the opportunity to witness some pretty basic changes in our political structure -- in the congressional seniority system, the presidential nominating process, and in the campaign finance laws.

However, when you've been in politics as long as I have, you learn that some things never change. The essential lessons I learned twenty-eight years ago -- in Travis County, Texas -- still apply today. And the most important of these lessons is a fairly simple one -- keep in touch with your friends.

That's why I am writing to you. To let you know that I know how important you were to the success of our fundraising program last year. I realize that -- without your support of the Presidential Fundraising Dinner -- we'd be in deep trouble right now.

I know, of course, that none of us agrees with President Carter on every single issue. The truth is he has addressed some of the toughest problems this country has faced.

In doing so, Jimmy Carter has already done more than enough to infuriate the Republicans in this country. They've raised millions to attempt to defeat the Panama Canal Treaties and roll back the clock on civil rights and women's rights.

But their major thrust is yet to come. Republican political action groups will spend millions to defeat moderate and progressive candidates in this year's congressional elections.

To offset that, the Democratic Party needs to make an unprecedented effort. We need to provide Democratic candidates with back-up in such areas as research, campaign planning, media guidance and registration/ get-out-the-vote programs.

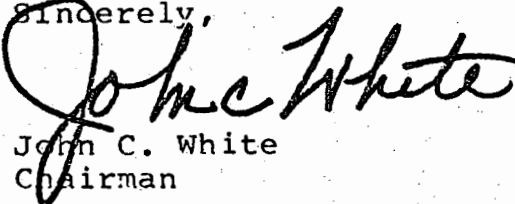
But, frankly, we can't continue as we'd like without your continued help. That is why I am writing to ask you to join our National Finance Council.

The National Finance Council was created to provide a continuing base of financial support for the Democratic Party. In addition, the NFC provides an excellent opportunity for our members to exchange views with Administration officials and to participate in fundraising events sponsored by the DNC. Members of the National Finance Council pledge to raise or contribute a minimum of \$5,000 per year. Members of the Executive Committee pledge to raise or contribute a minimum of \$50,000 per year. Contributions made toward 1978 fundraising events will be applied to your 1978 membership.

Last year you were extremely generous -- and your contribution was greatly appreciated. By joining the NFC you can help insure the continuation of the programs you made possible so far.

I hope that you will join us on May 9th and support the Democratic National Committee by joining the NFC. Please complete the enclosed card. I look forward to hearing from you. If you need additional information, contact Janet Kluczynski (202) 797-5900.

Sincerely,



John C. White
Chairman

JCW:dsl

THE WHITE HOUSE

WASHINGTON

May 8, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JIM FALLOWS, ^{Jr.} RICK HERTZBERG ^{Rick}

SUBJECT: DNC Reception

Background

The crowd will consist of perhaps 300 of the 500 members of the DNC Finance Council, plus about 25 of the 32 members of the Executive Committee of the DNC. Also in attendance will be 12 of the 58 members of the Winograd Commission, representing both majority and minority points of view. The Executive Committee members will have spent the previous part of the afternoon hearing testimony from the Winograd committee members.

It is coincidental that the executive and finance groups are meeting at the same time, but John White thought it would be a good idea to take advantage of the coincidence by bringing them together at the White House.

Talking Points

1. Humor. Just about any reference to lawyers and doctors is sure to get a laugh. You might say: "I'm glad to welcome all of you to the White House -- even those of you who are lawyers or doctors." Or: "I didn't mean to give the impression that I think lawyers and doctors are a monolithic group. Actually, they disagree with each other on many issues -- for example, on the need for more malpractice suits."
2. The group. This is a historic occasion in a modest way, because it is the first time the DNC has brought together those who are primarily involved in fund-raising with those who conduct the day-to-day political operations and administration of the party. You might say that this get-together was overdue, and that you're glad it is taking place in the White House under the auspices of a Democratic President. This is also an occasion to welcome Evan Dobelle in his new role as acting treasurer. Evan used to be a Republican -- but as Governor Lamm of Colorado recently said in another connection, we Democrats believe in the power of redemption.

3. Issues. In addition to thanking the group for their work on behalf of the Democratic party, John White suggests that you might touch briefly on some of the issues that make it so important for our party to make a good showing in the mid-term elections -- especially tax reform and civil service reform. These are tough issues and they inevitably make some people unhappy, but we are facing them squarely because that is in the best interests of the American people.

#

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

May 9, 1978

9

MEMORANDUM

TO: THE PRESIDENT

FROM: LES FRANCIS *Les Francis*

SUBJECT: Meeting with Senators Ribicoff, Sasser,
Percy, and Javits on Civil Service Reform

In your briefing paper for your 1:30 p.m. meeting with Senators Ribicoff, Sasser, Percy and Javits, it is stated that the Senate Governmental Affairs Committee had concluded hearings. In fact, we now understand that there may be one additional day of hearings for two or three more witnesses.

Relative to "Other Participants", it should be noted that Dick Wegman, the Chief Counsel, and John Childers, the Minority Chief Counsel, will be attending your meeting with the Senators.

1:00PM

THE WHITE HOUSE

WASHINGTON

May 8, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *F.M./BR.*
LES FRANCIS *Les Francis*

SUBJECT: Meeting with Senators Ribicoff, Percy, Javits,
and Sasser regarding Civil Service Reform --
Tuesday, May 9 at 1:30 p.m.

Attached is a detailed briefing paper regarding Civil Service reform and reorganization. In addition to the issues covered in the briefing paper, we believe particular emphasis should be placed on the following points regarding timing of the reorganization plan:

- When the legislation was transmitted on March 2, you indicated that the reorganization plan would be forthcoming shortly.
- A successful strategy in the House is dependent upon quick action on both the legislation and the plan in the Senate.
- The plan can stand on its own. While the legislation is very important, by itself the reorganization plan cures the split personality of the Civil Service Commission. It puts personnel management functions in one place and protection of employee rights in another.

Finally, it is critical that Ribicoff, et al. understand that May 19 or May 22 represent your "bottom line". In fact, we would prefer sending the plan up on the 12th or 15th, but are willing to cooperate by holding off until the 19th - the day after the committee starts mark-up on the legislation.

THE WHITE HOUSE

WASHINGTON

May 8, 1978

MEETING WITH SENATORS RIBICOFF, SASSER,
PERCY, AND JAVITS ON CIVIL SERVICE REFORM

Tuesday, May 9, 1978

1:30 p.m. (30 minutes)

Cabinet Room

From: Frank Moore *F.M./BR*

I. PURPOSE

To reiterate your personal commitment to action on the civil service reform package during this session; to inform them of your intention to send up the Reorganization Plan part of the package on Friday, May 19 or Monday, May 22; and to express your appreciation for the work and cooperation of the Committee.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background: Unlike the House Post Office and Civil Service Committee, which required substantial efforts on your part before it would commit to action on the legislation this session, the Senate Governmental Affairs Committee has consistently pledged to report out the package this year. Hearings have now been concluded, and the Committee plans to begin mark-up sessions on Thursday, May 18.

Despite the extensive hearings, most Committee members are not yet personally familiar with the legislation, and there is a vague sense of unease about the bill -- especially regarding veterans preference.

We have not yet sent up the Reorganization Plan part of the package, although the Committee has had it in draft for several weeks. Our delay was based on the strong urgings of Ribicoff, and upon the advice of the Committee staff. They alleged that transmitting the plan before mark-up would run the risk of the Committee either setting the bill aside to work on the plan -- or rejecting the plan out of hand because of unfamiliarity with the legislation. Scheduling the mark-up for May 18 removes that objection, and we believe that sending the plan up the next day, May 19, or the following Monday, May 22, should be viewed as a reasonable compromise.

We believe that it is important for you to show a strong personal interest in sending the Plan to the Hill as quickly as possible, and in keeping the content of the legislation from being weakened in the Committee. Because the House Committee is comparatively responsive to Federal employee unions and electoral constituencies, it is essential that the Senate adopt a strong bill. Committee staff have suggested that you specifically stress your commitment to the modifications in veterans preference proposed in our bill. We agree.

B. Participants

1. Abe Ribicoff. As you know, Senator Ribicoff has, from the outset, been a strong supporter of Civil Service reform, privately and publicly. He has voiced three concerns which may need to be addressed at the meeting: first, he has been reluctant to receive the Reorganization Plan; second, he has expressed misgivings about the veterans preference proposals; and, third, he has stated that some of the proposals, especially those providing greater flexibility for higher-level Federal managers, could be introduced on a "pilot project" basis. (Suggested responses to these concerns are set out below.)
2. Jim Sasser. Sasser is Chairman of the Subcommittee on Civil Service and has also been a strong supporter of the program. He has attended Committee hearings and attempted to be helpful. At this point, he does not appear to be extensively informed on the issues. He appears to share the general nervousness about the veterans preference.
3. Charles Percy. Like the Chairman, the ranking Minority member has been supportive on this issue from the outset. He has also regularly attended the hearings.
4. Jacob Javits. At a meeting with Harrison Wellford late last week, Senator Javits indicated that he would seriously consider taking the lead in support of our objective of modifying veterans preference. He is going to talk to Senator Muskie about working together on this issue. An expression of gratitude and some encouragement from you would be extremely important, for we must have one "point person" on this controversial issue in the Committee, if we are to have any hope of salvaging much of our proposal. Javits has not yet actually agreed to assume this role, and you should avoid putting him on-the-spot at this time.

C. Press Plan: White House photographer only.

III. TALKING POINTS AND MAJOR ISSUES

A. Introductory

1. It has been a great source of reinforcement to me that your Committee has shared my commitment to reforming our government.
2. I understand, for example, that tomorrow (Wednesday, May 10) you will begin marking up the lobby disclosure legislation, similar to that which recently passed the House; I strongly support your efforts to pass an effective lobby disclosure bill..
3. My number one domestic priority, apart from slowing inflation without hampering growth, is Civil Service reform, and I am pleased to understand that this is your first priority too.

B. Need to Send the Reorganization Plan

1. I understand that you are scheduled to start with mark-up a week from Thursday, May 18. I appreciate that, and I believe that we can therefore also send the Reorganization Plan immediately after mark-up begins. Friday, May 19 or Monday, May 22, at the latest, would seem a good date to me.
2. Sending the Plan is important because it keeps up the momentum behind this effort, which is critical, especially in the House.
3. By establishing the Merit Systems Protection Board and the Federal Labor Relations Authority, the Plan emphasizes aspects of the overall package which most clearly protect employee rights, and should tend to be a reassuring factor, as the legislation is considered.
4. The Plan can stand on its own. Its virtues can be evaluated without the legislation.
5. (The only significant argument we have heard against the Plan in the Senate has been Senator Mathias' contention that the Office of Personnel Management should have three heads, instead of a single administrator. We believe that this would make the personnel system more cumbersome to administer, and would be ineffective in increasing protection against political abuse. The proposal does not seem to have much support in the Committee. In any event, the Committee may resolve this issue in considering the proposal as a Reorganization Plan as readily as if it were legislation.)

C. Veterans Preference: The bill will enhance the rights of veterans who really need help -- disabled and Vietnam veterans -- but would reduce or eliminate rights of other groups with less need for protection -- non-disabled veterans and military retirees. These changes are needed to focus adjustment assistance on groups in most severe need, to restore needed flexibility in staffing decisions, and to redress the balance of opportunities available to non-veterans, especially women and minorities.

D. Other Issues

1. Labor/Management Relations. We have simply converted a stable, successful system, with strong management rights protections, into law, and we will go no further.
2. Senior Executive Service. This proposal is absolutely essential, if department and agency heads are to have the flexibility necessary to be accountable for their implementation of Congressional mandates -- strong protections against politicization are built into the system, and enforced by the MSPB and Special Counsel, if necessary. SES is an old idea, "pilot" approach not needed.
3. Merit Pay for Managers, GS-13 to 15. This will be phased in gradually under OPM guidance. In effect, it will be a "pilot" program.
4. Disciplinary Procedure. Due process must be preserved, but it is essential that removal be a practical option when employees consistently show inadequate performance.
5. Whistleblower Protection. My bill provides unprecedented protection for whistleblowers, but it does not grant a license to leak to every bureaucrat who wants to defeat a policy he disapproves.

IV. OTHER PARTICIPANTS

From the Administration, Scotty Campbell, Jim McIntyre, Stu Eizenstat, Frank Moore, and Dick Pettigrew will attend, along with some representatives from their staffs. From the Committee, the Chief Counsel, John Childers, will attend. The staff of this Committee is extremely influential with the members, and has been very supportive and energetic in its work on the Civil Service reform issue.

THE WHITE HOUSE

WASHINGTON

May 9, 1978

Stu Eizenstat
Jim McIntyre

The attached was returned in the
President's outbox and is forwarded
to you for appropriate handling.

Rick Hutcheson

cc: The Vice President
Frank Moore
Jack Watson

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

5TH - PLS NOTIFY
ANDRUS

ACTION
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

✓	VICE PRESIDENT
✓	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
✓	MOORE
	POWELL
✓	WATSON
	WEXLER
	BRZEZINSKI
✓	MCINTYRE
	SCHULTZE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

May 3, 1978

MEMORANDUM FOR THE PRESIDENT

FROM

STU EIZENSTAT *Stu*

SUBJECT

Comments on McIntyre's memo on the National Reserve concept and proposals for the Santa Monica Mountains

I agree with Secretary Andrus' recommendations for applying an "area of national concern" concept to the Santa Monica Mountains.

- The concept is a flexible management approach that can give needed protection to areas in a much more cost-effective way than national park or national recreation area management.
- The State and Local governments would be involved in a very important and direct way, and their agreement on a land-use plan for the area would be required for the designation to continue in effect. The Federal Government will not be imposing decisions on local officials, but working cooperatively with them.
- Taking a new and innovative approach will enable us to deal with Congress from a stronger position than if we simply oppose any protection for areas like the Santa Monicas. If we are simply negative, Congress is likely to pass park and national recreation bills that we oppose and that are less cost-effective than this approach.
- There is widespread public support in Southern California for protecting the Santa Monicas, and opposing all forms of protection will be unpopular there. Senator Cranston and Representative Bielsenson have introduced legislation and are strong supporters.

ok c
a) 75:25 match
b) Local zoning
c) \$125 million match
over 4 years
No compromises or
if veto -
J.C.

I do not agree with OMB's argument that Interior's proposal will intrude the federal government into local land-use decisions. There is widespread local support in Los Angeles for even greater federal involvement than Interior proposes. Moreover, the initial decisions here will be made by state and local planning commissions, and the local area can opt out of the arrangement.

OMB does raise a very valid concern that this might open up a new program with ill-defined criteria, for areas that do not qualify for national park or wilderness treatment, with potentially large out-year costs.

However, as in so many situations, we must deal with the reality that without Interior's more modest proposal we will almost certainly get a much worse one-- namely a national park, with greater federal costs and involvement, which we will have a difficult time vetoing without severe political consequences.

Moreover, by writing tight criteria-- which you should insist Interior do-- and by requiring a state match, perhaps 75/25, rather than the 80/20 Interior proposes, we could discourage unworthy proposals and limit the number of areas which propose themselves as reserves in order to obtain federal assistance.

THE WHITE HOUSE
WASHINGTON

HOLD: Stu has copies of both
and will show to the
President, if possible,
on the trip.

NOTE: CL goes with OMB
on the mountain range
memo.

WASHINGTON

DATE: 03 MAY 78

FOR ACTION:

INFO ONLY: THE VICE PRESIDENT

FRANK MOORE (LES FRANCIS)

ANNE WEXLER

STU EIZENSTAT

JACK WATSON

SUBJECT: MCINTYRE MEMO RE THE NATIONAL RESERVE CONCEPT AND PROPOSAL
FOR THE SANTA MONICA MOUNTAINS
TO PRESIDENT BY 1:00 TODAY

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: +
+++++

ACTION REQUESTED:

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
/	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

to go in by
P
1:00
TODAY

ACTION
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	/	VICE PRESIDENT
	/	EIZENSTAT (was)
		JORDAN
		KRAFT
		LIPSHUTZ
	/	MOORE
		POWELL
	/	WATSON
	/	WEXLER
		BRZEZINSKI
		MCINTYRE
		SCHULTZE

		ARAGON
		BOURNE
		BUTLER
		H. CARTER
		CLOUGH
		COSTANZA
		CRUIKSHANK
		FALLOWS
		FIRST LADY
		GAMMILL
		HARDEN
		HUTCHESON
		JAGODA
		LINDER
		MITCHELL
		MOE
		PETERSON
		PETTIGREW
		PRESS
		SCHNEIDERS
		VOORDE
		WARREN
		WISE

		ADAMS
		ANDRUS
		BELL
		BERGLAND
		BLUMENTHAL
		BROWN
		CALIFANO
		HARRIS
		KREPS
		MARSHALL
		SCHLESINGER
		STRAUSS
		VANCE



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MAY 3 1978

ACTION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

James T. McIntyre, Jr. *WST (1/2)*

SUBJECT:

"National Reserve" concept and the
Santa Monica Mountains

Attached is a decision memorandum, prepared jointly by OMB and Interior staff, addressing a major land management issue on which hearings are scheduled for Friday, May 5.

I suggest you read over the memo, discuss it with Secretary Andrus and advise us of your decision tomorrow.

The essentials of the National Reserve or Area of National Concern concept are

- a land use planning commission of non-Federal members established under Federal law to plan for a specified area,
- Federal approval or disapproval authority for the substance of the plan,
- 80% Federal funding for public land acquisition in implementation of the plan, on condition that the States and localities regulate private land use in accordance with the approved plan.

The application of the above concept is recommended by Secretary Andrus to a 220,000 acre area of the Santa Monica Mountains in the Los Angeles urban area, as an alternative to Congressional proposals to create a National Park or Recreation Area there. Either proposal would cost around \$200 M.

I recommend against endorsing the Reserve or Area of National Concern concept because:

- it injects the Federal Government heavily into land-use and economic development controls at the local level,
- it is open ended, essentially without criteria that would exclude any area,

- it is likely to be very expensive,
- as designed it cannot protect against the establishment of Federally operated parks or recreation areas, for which it is advanced as an alternative,
- States and local governments have the authority to regulate these areas if they have the will.

Should you nevertheless agree with Secretary Andrus that the concept should be endorsed by the Administration, I strongly recommend that it be modified to expressly exclude establishment of any Federally managed elements within the Area, such as Parks, Recreation Areas or Refuges.

I recommend against any Federal involvement in the Santa Monica Mountains beyond what we have done and are now doing (transfers of Federally owned lands in the area to the State for recreation purposes and use of State grants under the Land & Water Conservation Fund for State or local public land acquisition) because:

- I don't think that particular mountain area is sufficiently unique to warrant National status,
- California is already moving to regulate land use and has established State parks in the area. The State has a strong positive record in environmental protection.
- The Federal Government now owns 45% of California (including forest, desert, and mountain lands in the Los Angeles vicinity). There is more public land per capita in California now than in any populous State east of the Mississippi.
- We just committed to over \$500 M in outlays to acquire the Redwoods expansion in California, and to pay for the unemployment so created.

In short, I believe we need, for budgetary and other reasons, to draw the line on continuous expansion of land acquisition proposals, and I believe that, for reasons of regional equity, we should make no additional major public land acquisition in California this year.

Attachment



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MAY 3 1978

ACTION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JAMES T. MCINTYRE, JR. *WBC (1/17)*

Subject:

The "National Reserve" Concept
and Proposals for the Santa Monica
Mountains

ISSUE

What should be the Administration policy on establishing "National Reserves" in lieu of large area National Parks, and in accordance therewith, what posture should we take in congressional testimony on proposals for the Santa Monica Mountains in California?

This memorandum:

- Discusses variations of the "National Reserve" concept proposed in Congress; the proposed responses of the Department of the Interior and of OMB; and presents for decision which of those responses should be adopted by the Administration;
- Sets forth specific background on the Santa Monica Mountains situation which is a candidate for application of the reserve concept, and
- Presents for decision whether:
 - ° the Federal Government should acquire the area as a National Park or a National Recreation Area; or
 - ° the area should be accorded the status of "area of national concern" as proposed by the Department of the Interior; or
 - ° no specific national recognition should be given the area beyond what would be available through continuation of existing programs.

THE "RESERVE" CONCEPT -- DISCUSSION

In the past the Federal Government would establish a National Park area in order to preserve some superlative, nationally significant resource. Boundaries were drawn sufficient to encompass the resource, and the land within the boundaries would be acquired and managed to preserve the resource. Recently, however, a number of proposals have been made to involve the Federal Government in preserving broad areas or regions. These regions usually exemplify a distinctive ecotype or cultural pattern which is being threatened by development. Examples of such congressional proposals include:

- Representative Beilenson and Senator Cranston's Santa Monica Mountains bill. These mountains constitute a large expanse of valuable open space near Los Angeles.
- Senator Kennedy's Nantucket Sound Islands Trust bill. The belief is that Nantucket, Martha's Vineyard and other nearby islands represent a unique sort of island community which ought to be preserved.
- Senators Case and Williams' bill for the New Jersey Pine Barrens. The Pine Barrens encompass much of Southern New Jersey, and although unspectacular, they are distinctive and constitute the largest relatively pristine area on the eastern seaboard.
- Senator Johnston's bill for a Jean Lafitte National Park in and around New Orleans. This proposal seeks to preserve examples of Cajun culture and history, and bayou ecosystems.
- Representative Tsongas' bill for a Lowell (Massachusetts) National Urban Cultural Park. This proposal would preserve the historic fabric of the City of Lowell, the birthplace of the industrial revolution in America.

The common elements among these situations are:

- They pertain to large areas for which the traditional park approach is inappropriate. These areas are too expensive to be preserved by buying all acreage related to the preservation of the cultural or ecological system involved.
- The areas to be preserved encompass many homes and businesses. While the proposals' sponsors do not necessarily seek to disturb ongoing economic activity, they are anxious that it be channeled in a fashion such that the unique qualities of the region are preserved.

- Local and State governments are either unwilling or unable to preserve the areas in question through regulation, zoning, or land acquisition.

Pending legislation reveals several methods of responding to these situations, marked by various degrees of Federal participation in planning and controlling land use and economic development, and funding for such activities. This Federal participation in planning, regulation, and funding in such situations is generally termed the "reserve concept."

The Department of the Interior is dissatisfied with the proposed legislative initiatives, viewing them as unnecessarily complex, expensive and inequitable; and is also concerned that those initiatives will prevail unless an acceptable, positive alternative is offered.

Faced with the Santa Monica legislation, Interior has designed an alternative which it believes adequately responds to the immediate problem and may be adaptable to similar proposals mentioned above.

INTERIOR PROPOSAL

The Santa Monica Mountains would be established as an "area of national concern" (ANC). Such designation would provide that a State and local planning commission would be constituted to develop a comprehensive land-use plan which would include:

- Identification of areas suitable for preservation, recreational development, and private compatible uses;
- Preservation and public access to beaches, uplands, streams, park roads and scenic corridors;
- Specific land-use programs including acquisition, regulations, tax incentives, or combination of methods to accomplish purposes of Act;
- Identification of State or local governmental units responsible for implementing land-use program.

Upon approval of the plan by the Secretary of the Interior, 80/20 Federal/State matching grants would be provided the State or localities for the acquisition of land identified in the plan for open space uses to be publicly held. Granted funds would be recoverable upon a finding that the plan is being improperly modified or is not being implemented.

There are the following novel aspects to Interior's proposal: Until the time when Interior approves the plan, no Federal funds, guarantees, licenses, or approvals which impact land-use in the Santa Monicas may occur. After approval of the preservation plan, no Federal agency may act inconsistently with the plan. Interior is authorized and directed to suspend Federal programs or benefits impacting land-use in the Santa Monicas when it is found that California or a locality is not properly implementing the plan.

Analysis of Interior's Proposal

Arguments for:

- The concept fills a special need for Federal protection for large areas that do not qualify as National Parks or Recreation Areas, and that cannot be effectively protected by National Heritage status or through State acquisition with Land and Water Conservation Fund assistance.
- Compared to Federal acquisition and management, the concept provides more resource protection per Federal dollar expended through establishing firm local controls on use of non-acquired lands.
- The concept may be less expensive than relying on large area in-fee acquisition for management as Federal areas.
- The approach also puts other governments on notice that the Federal Government will no longer continue to fully fund the acquisition and management of resources which other governments are not willing to protect to the greatest possible extent with their existing authorities.
- The concept may be successful in forestalling congressional initiatives to create large federally managed parks and recreation areas, where outright opposition to such initiatives may fail, i.e., it is a positive alternative to creation of National Parks or Recreation Areas of doubtful national significance.
- The concept is a flexible tool. The preservation plan will respond to the particulars of the individual situation. Economic growth may continue in the ANC.
- It will establish a Federal presence to encourage and coordinate local government preservation efforts, and require substantial exercise of local regulatory authorities.

Arguments against:

- The assertion of direct Federal controls over private land use through the Secretary's right of approval or disapproval of the areawide plan raises the following problems, even though the local area can avoid Federal control by opting out of the arrangement:
 - ° It expands direct Federal regulation into a new sphere -- land use -- that has until now remained the province of State and local governments.
 - ° It injects a Washington official into local land-use disputes that could otherwise be resolved at local or State levels.
- The establishment by Federal law poses the opportunity to impose outside controls on unwilling local governments that State governments, on their own, would not impose. There are numerous areas of the country where non-local or out-of-State interests would like to forestall or control economic development, contrary to local wishes.
- Adoption of the concept may be more costly, rather than less costly, for the Federal Government, if it becomes popular, because:
 - ° There would be a tendency to offer it freely as a political solution to areas which would otherwise clearly not qualify for Federal involvement. There are at least 18 other candidate areas now working in Congress. Assuming enactment of these two proposals, we estimate the total Federal costs over the next 5 years to range from \$1.2 to \$1.7 billion.
 - ° There is no certain way of preventing the land planning commissions from providing for large-scale Federal acquisition and operation of National Parks or Recreation Areas within the controlled areas, and building coalitions to force Secretarial acceptance -- thus forcing on us precisely what we would want to avoid.
- There is no defined limit to the set of areas to which the concept could be applied. There are no criteria defining what areas qualify as, or more importantly, what areas do not qualify. National significance is a highly judgmental concept.

- It will be very difficult to hold the line on the details of the concept. For example, Senator Kennedy's Nantucket bill proposes that when the local governments use their zoning power to restrict development of land, the Federal Government will compensate the landowners for the loss in value of this land. Public access to acquired lands may not be required, etc. Other bills are likely to be tailored more to the local situation than the National interest.
- The reserve concept provides little, other than additional Federal money, which State and local governments do not already have. State and local governments can already use Federal planning assistance (e.g., Coastal Zone Management) and preservation maintenance (Land and Water Conservation Fund and Historic Preservation Fund), zoning, air and water quality standards, and project review and permit systems to control development and preserve important areas.

Agreed Requirements for a Reserve or "ANC" Concept

While OMB and Interior disagree over the desirability of the Administration supporting such a concept, we do agree that the following elements are critical in structuring a reserve concept which are not found in the congressional proposals:

1. The Federal Government should not directly plan or regulate land use for large, non-federally owned areas. Land-use regulation is traditionally a State and local function. Thus, the planning commission for a reserve should not be a Federal body, nor should the implementation of the preservation plan be carried out by the Federal Government.
2. The Federal Government should not pay to acquire that which can be achieved through regulation. Implementation of the preservation plan must rely strongly on the use of State and local regulatory powers.
3. Given the importance of State and local planning and regulation, the Federal Government should not impose a reserve in areas where the State and local governments are unwilling to take the requisite implementing actions. The reserve concept and the Federal assistance it affords is for those areas which are unable to satisfactorily preserve nationally significant resources, but not for those areas which are unwilling to do so.

4. There should be a matching requirement for whatever Federal funds are granted in order to implement the preservation plan. This will help (a) limit the number of areas around the country which propose themselves as reserves in order to obtain Federal assistance, and (b) assure that the preservation plan is not endless in its requirements for Federal dollars.
5. There must be some means of assuring continued preservation of a reserve area once the Federal Government has made an implementation grant.

Decision

- ☐ The Administration should support the "ANC" concept recommended by Interior.
- ☐ The Administration should not support the "ANC" concept. Recommended by OMB.
- ☐ Other.

SANTA MONICA MOUNTAINS PROPOSALS

Congressional action is expected this session on proposals for establishment of a Federal park in the Santa Monica Mountains. Interior is to testify before the Senate Committee on Friday, May 5. We need to develop an administration position prior to the hearings.

The Santa Monicas are a range of steep, dry mountains running westward for about 50 miles along the ocean from the northern end of Los Angeles (see attached map). Except for the portion north of Los Angeles, they are relatively undeveloped due to steep slopes, erosion, flood, and fire hazards. Pressures to develop are extreme, however. Preservationists' interest in the mountains results because the mountains represent attractive open space in very close proximity to Los Angeles -- the farthest part of the range is less than a 90-minute drive from downtown. But for their location, the mountains are not unique or especially scenic. They would not qualify as a traditional national park. The interest in them is for recreation and "breathing space" for Los Angeles.

State and local efforts to preserve portions of the Santa Monicas have met with mixed results. The State has acquired 31,000 acres of park lands there. In 1976, California created the Santa Monica

Mountains Comprehensive Planning Commission and charged it with developing a plan for protecting the mountains, but the Commission has no land-use regulatory powers. The plan must be submitted to the legislature, and further legislation will be needed to implement it. Local governments' performance in zoning the area has been variable -- some good, some bad.

There is now a consensus among California politicians -- local, State, and national -- that the Federal Government should take a major role in preserving the Santa Monicas.

Alternatives

1. H.R. 7264 is sponsored by Representative Beilenson (D. Calif.) from West Los Angeles and in the Senate by Senator Cranston. The bill would authorize the establishment of a 150,000-acre national park. Interior would acquire about 25,000 acres within the boundaries at a cost of \$150 to \$250 million. These acquired lands, plus the current State parks, would be managed by the National Park Service. Remaining lands within the boundary would continue in private ownership and would be subject to local and State regulation.
2. Interior proposes an "area of national concern" approach, as described previously. The extent of Federal grants to be provided under this approach would be determined by the content of the approved preservation plan, but might approximate \$200 million.
3. OMB recommends that the Federal Government not become involved in preserving the Santa Monicas other than through continuation of existing programs, e.g., Land and Water Conservation Fund grants, sewer and water grants, planning grants.

Discussion of the Santa Monicas as an "area of national concern"

Interior and OMB are agreed that the Santa Monica Mountains qualify neither as a National Park nor as an Urban National Recreation Area. The question remains as to whether or not the Santa Monicas qualify as an ANC. (This assumes that you have decided above in favor of an ANC concept.)

Interior argues that the Santa Monicas do so qualify:

- They are the most important remaining open space in the eight million-person Los Angeles area.

- State and local governments have shown a willingness to participate in preserving the area.
- However, the costs of preserving the area are beyond State and local capabilities.

Furthermore, Interior strongly believes that if the Administration does not take the positive step of proposing the Santa Monicas as an ANC, Congress will undoubtedly enact a park proposal for the area akin to the Beilenson bill. The Beilenson bill represents a much less cost-effective approach to preservation of the area than does an ANC.

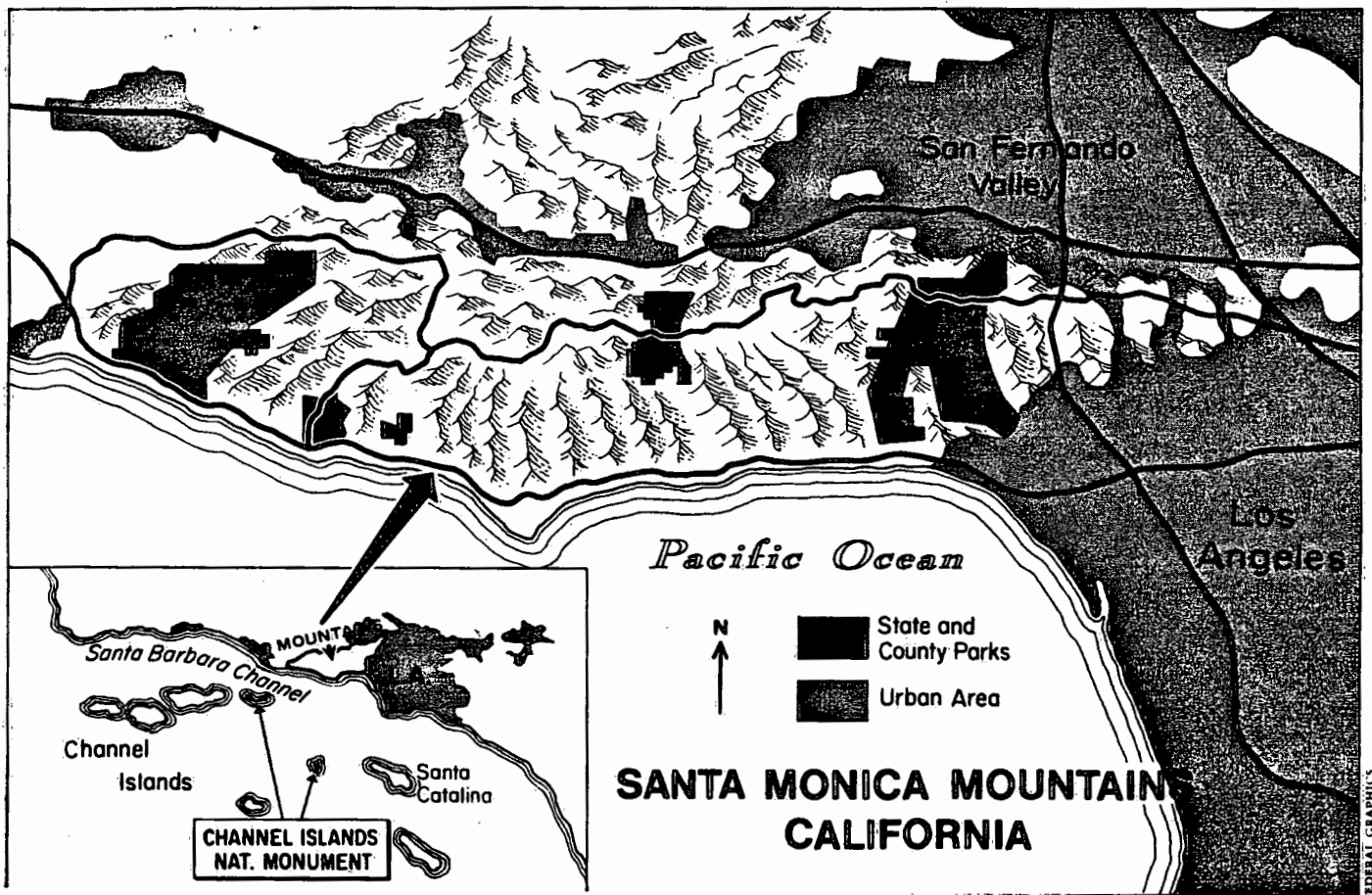
OMB argues that, even if the Administration supports an ANC concept, the Santa Monicas should not qualify:

- They are not spectacular or particularly unusual, being similar to other dry mountain areas in California. It is, therefore, difficult to discern the national interest in the Santa Monicas.
- The fact that they are open space in proximity to a large urban area should not necessarily qualify them for reserve status. If large areas of open space near urban areas are to qualify as reserves, the reserve program will be essentially open-ended and extremely expensive.
- State and local governments are working to preserve the area. The Santa Monica Mountains Comprehensive Planning Commission has not yet completed its plan for the area and has not yet thus approached the California legislature for authority to implement the plan. This process should be completed before the Federal Government takes a major role.
- California currently has a substantial budget surplus, and projects such as preservation of the Santa Monica Mountains may not be beyond its fiscal capabilities.
- California and the local governments already have all the regulatory tools needed to preserve the Santa Monicas, including particularly strong coastal and air pollution regulatory authority.
- Administration opposition, properly applied, could head off enactment of the Beilenson bill.

Decision on Santa Monica Mountains as an ANC

- ☐ Propose the Santa Monica Mountains as an ANC. Recommended by Interior.
- ☐ Do not propose the Santa Monica Mountains as an ANC. Recommended by OMB.

Attachment



THE WHITE HOUSE

WASHINGTON

May 9, 1978

Hamilton Jordan

The attached was returned in the
President's outbox and is forwarded
to you for appropriate handling.

Rick Hutcheson

cc: Bob Lipshutz
Frank Moore
Tim Kraft

COURT OF CLAIMS APPOINTMENT

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

May 5, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

ROBERT LIPSHUTZ
FRANK MOORE

*RL
FM*

THROUGH:

HAMILTON JORDAN *H.J.*

SUBJECT:

Appointment to Court of Claims

Attached is a memorandum to you from the Attorney General, recommending the appointment of Mr. Edward S. Smith of Baltimore for nomination to fill this judicial vacancy.

We concur with the recommendation of the Attorney General.

RECOMMENDATION:

Nominate Edward S. Smith for Court of Claims

Approve: ✓ Disapprove

[Signature]



Office of the Attorney General
Washington, D. C. 20530

May 4, 1978

MEMORANDUM TO THE PRESIDENT

RE: Court of Claims vacancy

Attached is a copy of the report recently submitted by the Committee on Selection of Federal Judicial Officers, along with a copy of the report the Committee submitted last October for a previous vacancy. You nominated Daniel M. Friedman from the earlier list. The three names remaining on that list and the two new names in the more recent report provide a pool of five from which to select your nominee for the remaining vacancy. A brief resume of each is attached.

I recommend Edward S. Smith of Baltimore for the nomination. He is a graduate of the University of Virginia Law School and has practiced with the respected firm of Piper & Marbury in Baltimore since 1963. Prior to that time, he served as the Chief of the Trial Section of the Department of Justice's Tax Division. He is experienced in tax litigation and other matters under the jurisdiction of the Court of Claims. He has been active with the Lawyers Committee for Civil Rights Under Law and other activities providing legal services to the poor.

I am confident that Mr. Smith's nomination, coupled with your earlier choice of Mr. Friedman, would be a major step towards improving the intellectual vigor of the Court of Claims.

Griffin B. Bell

Griffin B. Bell
Attorney General

Attachments

United States Committee on Selection of Federal Judicial Officers

April 4, 1978

Please reply to:

Judge David W. Dyer
P.O. Box 012319
Miami, Florida 33101
305/661-4120

The President
The White House
Washington, D.C.

Dear Mr. President:

I take pleasure in presenting the recommendations of the United States Committee on Selection of Federal Judicial Officers of two additional persons to the list previously submitted.

The Committee received forty-three applications and eight re-applications of previously considered candidates. Eleven candidates were interviewed with all Committee members present except Rudolph A. Peterson who was ill and unable to attend. Eight candidates were from the District of Columbia, one from Alabama, one from Ohio, and one from New York.

The following are the two persons we wish to recommend, listed in alphabetical order:

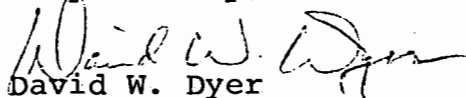
Douglas B. Henderson, practicing attorney,
Finnegan, Henderson, Farabow & Garrett
1775 K Street, N.W.
Washington, D.C. 20006

John M. Steadman, professor of law,
2960 Newark Street, N.W.
Washington, D.C. 20008

Appended in a separate attachment is a short resume of each of these individuals. Their completed questionnaires, together with samples of their professional writing, are being sent under separate cover.

The two persons recommended are the unanimous choice of the Committee members.

Respectfully,


David W. Dyer
Chairman of the Committee

Resume of Douglas B. Henderson, Esquire

Mr. Henderson is forty three years of age, and is in excellent health. He resides in McLean, Virginia, is married and has three children.

From 1957 to 1959, Mr. Henderson was a Manufacturer's Agent with Arthur G. Henderson & Associates in Pittsburg, Pennsylvania. From 1959 to 1962 he was a Trainee in the Legal Department of Swift & Co., in Washington, D.C. From 1962 to 1963 he was Law Clerk to Commissioner Donald E. Lane, United States Court of Claims. From 1963 to 1965 Mr. Henderson was associated with the firm of Irons, Birch, Swindler & McKie of Washington. From 1965 to the present he has been a senior partner in the firm of Finnegan, Henderson, Farabow & Garrett of Washington.

Mr. Henderson has an "AV" rating by Martindale-Hubbell. He has served on the Board of Directors of The Bar Association of the District of Columbia; as Chairman of its Court of Claims Committee, and Chairman of its Patent, Trademark & Copyright Section. In the American Bar Association he has served as Assistant Secretary of the Section of Patent, Trademark & Copyright Law, as Chairman of its Federal Practices & Procedure Committee; and as Section Liaison to the United States Court of Customs & Patent Appeals. He is also a member of and holds various offices in the Federal Bar Association, American Patent Law Association and District of Columbia Bar.

Mr. Henderson has been highly recommended by the bench and the bar as being extremely well qualified. His unquestioned integrity, temperament, and objectivity, together with his unusual experience in trial and appellate proceedings concerning the subject matter jurisdiction of the Court of Claims highly qualify him for a judgeship on that Court.

The Committee unanimously recommends Mr. Henderson.

Resume of John M. Steadman, Esquire

Mr. Steadman is forty-seven years of age, and is in excellent health. He resides in Washington, D.C., is married and has three children. He graduated from Yale College in 1952 with a B.A. summa cum laude, and from Harvard Law School in 1955, magna cum laude.

From 1956 to 1963 Mr. Steadman was an associate of Pillsbury, Madison & Sutro, San Francisco, California. From 1963 to 1964 he was Attorney-Advisor, Office of Legal Counsel, United States Department of Justice. From 1964 to 1965, he was Deputy Undersecretary of the Army (International Affairs). From 1965 to 1968 he was the Special Assistant to the Secretary of Defense. From 1968 to 1970 he was General Counsel, Department of the Air Force. From 1970 to 1972 he was Visiting Professor of Law, University of Pennsylvania Law School, Visiting Professor of Law, University of Michigan, summer of 1976, Visiting Professor of Law, University of Harvard School of Law, spring of 1977. From 1972 to the present he has been Professor of Law, Georgetown University, Washington, D.C. He has taught Administrative Law, Government Contracts, The Federal System (Constitutional Law), State and Local Government Law, International Law, Professional Responsibility, Commercial Law, Property, Decedents Estates.

Mr. Steadman's broad experience in private practice, government offices, and academia, particularly with reference to matters within the jurisdiction of the Court of Claims, coupled with his proven administrative ability, temperament and character, highly qualify him for the Judiciary.

The Committee unanimously recommends Mr. Steadman.

United States Committee on Selection of Federal Judicial Officers

October 13, 1977

Please reply to:

Judge David W. Dyer
P.O. Box 012319
Miami, Florida 33101
305/661-4120

The President
The White House
Washington, D. C.

Dear Mr. President:

I take pleasure in presenting the recommendations of the United States Committee on Selection of Federal Judicial Officers for the two vacancies on the United States Court of Claims.

The Committee held two meetings, at each of which all members were present. At the second meeting the Committee interviewed eighteen candidates: fourteen from the District of Columbia, one from Illinois, one from Maryland, one from California, and one from New Jersey.

The following are the four persons we wish to recommend, listed in alphabetical order:

Dickinson R. Debevoise, Esq., practicing
attorney, Newark, New Jersey

Daniel M. Friedman, Esq., First Deputy
Solicitor General, Washington, D.C.

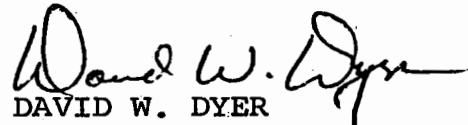
Thomas M. Gittings, Jr., Esq., practicing
attorney, Washington, D. C.

Edward S. Smith, Esq., practicing attorney,
Baltimore, Maryland

Appended in a separate attachment is a short resume of each of these individuals. Their completed questionnaires, together with samples of their professional writing, are being sent under separate cover.

Perhaps it should be added that the four persons recommended are the unanimous choice of the Committee members. Their qualifications are so far superior to the other persons considered that we feel constrained to limit our recommendations to them.

Respectfully,

A handwritten signature in dark ink, appearing to read "David W. Dyer". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

DAVID W. DYER
CHAIRMAN OF THE COMMITTEE

RESUME OF DICKINSON R. DEBEVOISE, ESQ.

Mr. Debevoise is fifty-three years of age and is in excellent health. He resides in Short Hills, New Jersey, is married, and is the father of four daughters. He graduated from Columbia University Law School in 1951 with honors and he served on the Law Review.

After one year as law clerk to Judge Phillip Forman, Mr. Debevoise entered the private practice and is presently a senior partner in the firm of Riker, Danzig, Scherer & Debevoise of Newark, New Jersey.

Mr. Debevoise has had extensive trial experience in complex litigation and has actively participated in many important appellate cases. His professional experience gives him a sound background for work in the Court of Claims.

In addition to his membership and active participation in the American Bar Association, the ALI, and the State, County and Federal Bar Associations, he has had a leadership role in the Lawyers Constitutional Defense Committee and the Newark Legal Services Project, both of which have made significant contributions in the civil rights field.

The Committee unanimously recommends Mr. Debevoise.

RESUME OF EDWARD S. SMITH, ESQ.

Mr. Smith is fifty-eight years of age, and is in excellent health. He resides in Baltimore, Maryland, is married and has two children. He graduated from the University of Virginia Law School in 1947.

From 1947 to 1961, Mr. Smith was engaged in the private practice in Washington, D. C. In 1961 he went with the Tax Division of the Department of Justice, where he became Chief of the Trial Section. From 1963 to date he has been a partner in Piper & Marbury of Baltimore, Maryland, a seventy-five lawyer firm. He was the Managing Partner for four years.

Mr. Smith has had broad experience in the trial and appellate proceedings of important tax matters and has developed an expertise in the field. He also has some familiarity with the other areas of the Court of Claims jurisdiction, including government contracts, renegotiation, military and civil service, and condemnation. This, coupled with his administrative ability, temperament, character and objectivity, and his extensive experience in and out of the government, highly qualify him for the judiciary.

Mr. Smith has been a leader in the Lawyers Committee on Civil Rights Under Law and has committed the resources of his firm to two pioneering programs to provide high quality legal services to the poor.

The Committee unanimously recommends Mr. Smith.

RESUME OF THOMAS M. GITTINGS, JR., ESQ.

Mr. Gittings is fifty years old and is in excellent health. He is single and resides in Potomac, Maryland. He graduated from George Washington University Law School in 1951 in the top fifteen percent of his class and was on the staff of the Law Review.

After one year as law clerk to the full bench of the United States Court of Claims, Mr. Gittings entered private practice. A very substantial portion of his practice has been before the Court of Claims, the United States District Courts and related administrative tribunals. His extensive experience in Court of Claims and Board cases, especially in the government contracts and military and civilian claims areas, add to his stature as a candidate for a vacancy on the Court.

Mr. Gittings did not actively seek an appointment to the Court. The Bar Association of the District of Columbia sought and received his permission to submit his name as well qualified to serve on the Court of Claims.

The Committee unanimously recommends Mr. Gittings.

THE WHITE HOUSE
WASHINGTON

May 9, 1978

The Vice President
Hamilton Jordan
Tim Kraft
Anne Wexler
Phil Wise

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

DNC

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

ACTION
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

✓	VICE PRESIDENT
	EIZENSTAT
✓	JORDAN
✓	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
✓	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	SCHNEIDERS
	VOORDE
	WARREN
✓	WISE

THE PRESIDENT HAS SEEN.

DEMOCRATIC

NATIONAL COMMITTEE 1625 Massachusetts Ave., N.W. Washington, D.C. 20036 (202) 797-5900

John C. White
Chairman

MEMORANDUM
May 5, 1978

To: The President

Thru: Rick Hutcheson

From: John C. White

Re: Weekly Status Report



FEDERATION OF DEMOCRATIC WOMEN

Over 1000 individuals attended the Convention at the Capital Hilton and the reception at the White House. Gretta Dewald reports very favorably on the meetings and will be following up with strong support for your Civil Service Reform initiative.

LEGISLATIVE SUPPORT

Members of our Task Force met on Tuesday and Wednesday with Tim Kraft, Frank Moore, Ann Wexler and their staff to ascertain your legislative priorities and those areas in which we could be of more assistance. This group will confer again on Monday the 8th of May, and on a regular basis thereafter -- focusing on current legislation and on future initiatives. I anticipate that this group, working with your staff, can be helpful and productive.

POLITICAL REPORT

The Executive Committee of the DNC and the Winograd Commission will be meeting on May 9th and 10th, to make recommendations for the June meeting of the DNC.

Plans for the Texas Dinner on June 23rd are well under way, with a group of key supporters meeting with you on the 10th of May.

Following our trip to the Western States, I will be addressing the NAACP Convention in Chicago on Sunday.

Bill Brock, Republican National Chairman will also appear. We need to develop an administration strategy to deal with the aggressive move by the Republican National Committee to attack black votes. I will have recommendations in the near future.

THE WHITE HOUSE

WASHINGTON

May 9, 1978

Frank Moore

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Tim Kraft
Phil Wise
Hamilton Jordan
Jim Gammill

CALL TO STENNIS

THE PRESIDENT HAS SEEN
THE WHITE HOUSE
WASHINGTON

May 8, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *F.M./or*

I have talked this morning with Senator John Stennis (D-Miss.) and he would like to discuss with you appointing a national figure for the TVA.

Senator Stennis has always had a deep interest in the TVA. The Senator is impressed by your intention to make TVA more national in scope. He recently urged that we go outside the TVA region in filling vacancies as they occur on the Board.

Senator Stennis believes that Norman Clapp is such a national figure (even though I understand Clapp has Tennessee ties). The Senator would like to talk with you about Mr. Clapp and I recommend that you give him a call at 224-6253. The Senator does not feel that we have placed a high enough priority on TVA appointments.

Senator Stennis has also let it be known through a staff member that you have not invited him down for a one-on-one with you except on Panama. Stennis is chairman of both the authorizing and appropriating committees on defense. If you would like to meet with the Senator at a later date, we can get a lot out of it if we are carefully prepared by OMB and Defense.

*Frank -
done - work
out time for
him to visit
me - you
call him -
expedite
J*

~~Presidential Security Detail~~
~~for Presidential Protection~~

9:15 AM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

C

MEMORANDUM FOR THE PRESIDENT

FROM SOCIAL OFFICE

V McHugh

DATE: 8 May 1978

SUBJECT: BREAKFAST FOR LABOR LAW LEADERS

The 89 guests for this breakfast will arrive at 8:00 A.M., and will be served juice in the Main Hall, prior to being seated for breakfast. Breakfast is expected to end at 10:00 A.M.

9:15 A.M. The PRESIDENT arrives State floor to State Dining Room.

Remarks by the PRESIDENT.

(Airport stand located at head table.
Table to be E-shaped.)

9:30 A.M. At conclusion of remarks, the PRESIDENT departs State floor.

THE WHITE HOUSE

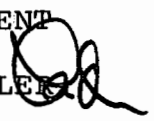
WASHINGTON

May 8, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

LANDON BUTLER 

SUBJECT:

Labor Law Reform Breakfast

DATE: Tuesday, May 9, 1978

TIME: 9:15-9:30am

LOCATION: State Dining Room

I. BACKGROUND, PARTICIPANTS AND PRESS PLAN

- A. Background: You approved holding two dinners for labor leaders this year and later, at Hamilton's suggestion, you agreed to make one of them this breakfast meeting to rally support for labor law reform.

As you recall, the key elements of the labor law reforms you recommended to Congress last July are:

- Speeded-up elections. You recommended a "fixed, brief period of time." The House set a period of 21-45 days (depending on the complexity of the election) which the AFL-CIO supports. The Senate may lengthen this period somewhat.
- Expansion of the Board from 5 to 7 members to speed up case processing. This is in the House bill and the Senate seems likely to accept it also.
- "Make-Whole Remedy", giving the Board power to require companies found to have refused to bargain to pay employees back wage increases for the period of illegal refusal to bargain based on national average wage settlements.
- Debarment from federal contracts of firm found to have flagrantly violated the labor law.
- Double-back pay for workers illegally discharged for union activities. The Senate bill authorizes 1 ½ times back pay.

In addition you authorized Secretary Marshall to support in

testimony the "equal access" provision which allows the Board to require companies opposing unionization on company time and property to make equal time and facilities available to unions. This provision is in the House bill but will be hotly contested in the Senate.

Senator Byrd has agreed to take up the Labor Law Reform bill (S2467) on Monday, May 15. The Senate battle will revolve around the cloture votes, the post-cloture filibuster and the likely amendments to the bill.

The biggest fight will be over cloture, and on this neither side appears certain. We are currently working from a base of 53 "firm" Senators, with six who have indicated they will vote for cloture "eventually," and three who are "shaky," but may be swayed to vote with us. Two other Senators are potential supporters, but "longshots." Thus, we feel there are 64 potential cloture votes, and the balance can be swung by any one of five Senators. The vote will be close, but we feel that cloture is achievable.

The second major problem is the so-called "post-cloture filibuster." As many as 500 amendments will be available for use by opponents. No one is sure how to stop this procedure, but the substantial peer pressure that will be placed on the opponents may keep them from persisting.

The most likely amendments to the bill include: (1) lengthening the election periods; (2) exempting small businesses from the law; and (3) eliminating the "equal access" provisions.

- B. Participants: Almost all of the members of the Executive Council of the AFL-CIO will attend the breakfast, including George Meany and Lane Kirkland. Senators Cranston, Williams, Humphrey, Nelson, and Pell, as well as Majority Leader Jim Wright and Chairman Thompson also will attend. The public members of the AFL-CIO's labor law reform citizens' committee Americans for Justice on the Job, have been invited and many will attend. A complete list of participants is attached.

The meeting will be conducted by Ray Marshall, who will ask Mr. Meany, Senators Humphrey and Williams and Chairman Thompson to speak briefly before you arrive.

You may wish to reserve a few minutes at the end of your remarks for questions or comments. If possible, you should recognize Steve Schlossberg of the UAW, who will be attending the breakfast in place of Doug Fraser (who is out of the country.) Schlossberg would like to make a statement on Fraser's behalf.

- C. Press Plan: The White House press pool will cover the first few minutes of your remarks to the group. In addition, several journalists who are covering the labor law reform bill will be permitted to sit in on the entire meeting.

III. TALKING POINTS

The key points these leaders will want to hear are:

- You made this bill part of your legislative agenda after careful consideration last year. You are aware that the legislative battle is going to be long and perhaps bitter, but your support remains, and will remain absolutely firm. You will help personally to win cloture and passage of this legislation.
- This bill is intended to speed up and streamline cumbersome processes and to put teeth into a law which has been abused in some cases. The great majority of law-abiding companies have nothing to fear from these reforms.
- There is no reason why elections should be delayed for long periods, especially where there are no complex legal issues involved. Unfair procedural delays should not be a weapon available to either side in labor management disputes.
- Just as we sometimes withhold federal contracts from those who break the civil rights laws, we should not reward companies with federal contracts when they violate workers rights to organize.
- Workers illegally fired from their jobs should not have to wait months or years, as they do now, to win simple justice--reinstatement and compensation for lost earnings.
- Companies should not have an incentive to refuse to bargain in order to postpone paying higher wages. The sanctions in the law must be strong enough so that law breakers do not find it cheaper to disobey the law.

--This bill does not imbalance the nation's labor laws, as some have charged. It simply closes some gaps in the law that have been unfairly exploited.

--You have a record of strong support for organized labor on the issues most important to them. You supported the largest single increase in the minimum wage in history. Even when you were severely criticized, you supported cargo preference legislation. Secretary Marshall testified in favor of common situs picketing legislation. You have responded to labor's concern in each of the industries with severe trade problems: shoes, tvs, textiles, and steel. Our macroeconomic policy has substantially reduced unemployment. In addition, your ILO decision, and human rights initiatives have pleased organized labor.

anti. inflation

--You are completely committed to passage of this bill as one of the Administration's top priorities this session.

PARTICIPANTS

I. Senators

Alan Cranston
Muriel Humphrey
Jacob Javits
Gaylord Nelson
Claiborne Pell
Jennings Randolph
Donald Riegle
Robert Stafford
Harrison Williams

II. Congressmen

Speaker Thomas O'Neill
Carl Perkins
Frank Thompson
Majority Leader Jim Wright

III. AFL-CIO Executive Council, UAW, NEA

George Meany, President, AFL-CIO
Lane Kirkland, Secretary-Treasury, AFL-CIO
Emmet Andrews, President, American Postal Workers Union
Kenneth Blaylock, President, AFGE
Peter Bommarito, President, United Rubber Workers
Al Chesser, President United Transportation Union
Sol Chaikin, President, ILGWU
C. L. Dellums, Vice President, AFL-CIO
Murray Finley, President, Amalgamated Clothing and Textile Workers
David Fitzmaurice, President, International Union of Electrical Radio and Machine Workers
Angelo Fosco, President, Laborers' International Union of NA
Thomas Gleason, President, International Longshoremen's Assn.
Matthew Guinan, President, Transport Workers Union of America
Paul Hall, President, Seafarers International Union
Ed Hanley, President, Hotel & Restaurant Employees' & Bartenders
George Hardy, President, Service Employees International Union
Alvin Heaps, President, Retail, Wholesale & Department Store
Fred Kroll, President, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers Express and Station Employees
John Lyons, President, International Association of Bridge & Structure Iron Workers

William McClennan, President, International Assn. of Fire Fighters
Frederick O'Neal, President, Associated Actors and Artistes
of America
Charles Pillard, President, IBEW
Harry Poole, President, Amalgamated Meat Cutters
Frank Raftery, President, Brotherhood of Painters
William Sidell, Brotherhood of Carpenters
Robert Porter, American Federation of Teachers
Joseph Tonelli, President, United Paperworkers International
J. C. Turner, President, International Union of Operating
Engineers
Marty Ward, President, United Association of Plumbing &
Pipe Fitting Industry
Glenn Watts, President, CWA
William Winpisinger, President, International Association
of Machinists and Aerospace Workers
Jerry Wurf, President, AFSCME
William Wynn, President, Retail Clerks International Union

Steve Schlossberg, Director of Government & Public Affairs, UAW

Willard McGuire, Vice President, NEA

IV. Americans for Justice on the Job

Herbert Alper, President, United Knitwear Manufacturing League
Theodore Bikel, President, Actors' Equity Association
William Guste, Attorney General, Louisiana
Rev. Msgr. George C. Higgins, Secretary for Research, United
States Catholic Conference
Len Hauss, Washington Redskins
Mildred Jeffrey, Chair, National Women's Political Caucus
Howard Lesnick, Professor
Alfredo Montoya, Executive Director, Labor Council for Latin
American Advancement
Clarence Mitchell, Director, NAACP
Joyce Miller, President, CLUW
Ron McDole, National Football Players Association
Kathleen Nolan, President, Screen Actors Guild
Brig Owen, National Football League Players Association
Bayard Rustin, President, A. Philip Randolph Institute
Donald Shriver, Jr., President, Union Theological Seminary
Theodore St. Antoine, Dean, University of Michigan Law School
Thelma Stovall, Lt. Governor of Kentucky
Eleanor Smeal, President, National Organization for Women
Ben Wattenberg, Coalition for a Democratic Majority
Anne Zimmerman, President, American Nurses' Association
Gail Daneker, Environmentalists for Full Employment
Dorothy Height, President, National Council of Negro Women
Eileen Thornton, National President, Women's Equity Action League

V. Senate and House Staffs

Tim Barnicle, Senator Muriel Humphrey
Frederick Feinstein, Counsel, House Subcommittee on Labor
Michael A. Forscey, Counsel, Senate Subcommittee on Labor
John Rother, Minority Staff Member, Senate Subcommittee on Labor
Stephen Paradise, General Counsel, Senate Human Resources
Committee
Don Zimmerman, Minority Counsel, Senate Subcommittee on Labor

VI. Administration

Secretary Ray Marshall
Under Secretary Bob Brown
Labor Solicitor Carin Clauss
Nik Edes, Congressional Relations, DOL
Paul Jensen, Executive Assistant and Counselor to the Secretary,
DOL
Charles (Chuck) Knapp, Special Assistant to the Secretary, DOL
John Fanning, Administrator, NLRB
Frank Moore
Stu Eizenstat
Landon Butler
Dan Tate
Bob Thomson

VII. AFL-CIO, UAW, NEA Staff

Howard Paster, UAW

Dale Lastina, NEA

Thomas Donahue, Executive Assistant to the President, AFL-CIO
Larry Gold, Special Counsel, AFL-CIO
Andrew Biemiller, Director, Legislative Department, AFL-CIO
Vic Kamber, AFL-CIO
Ken Young, Legislative Department, AFL-CIO
Ray Denison, AFL-CIO
Al Zack, Department of Public Relations, AFL-CIO
Rex Hardesty, Department of Public Relations, AFL-CIO
Bob Georgine, President, Building and Construction Trades
Department, AFL-CIO
Jake Clayman, President, Industrial Union Department, AFL-CIO

VIII. PRESS

Helen Dewar, Washington Post
Bill Eaton, Los Angeles Times
Lance Gay, Washington Star
Urban Lehner, Wall Street Journal
Owen Ullman, Associated Press
Wes Pippert, United Press International
Frank Swoboda, Baltimore Sun

Red Room

BREAKFAST - Tuesday, May 9, 1973

LANE KIRKLAND
Mr. Al Chesser

Mr. Bayard Rustin

Msgr. Geo. Higgins

Mr. Len Hauss

Sen. Muriel Humphrey

Mr. George Meany

THE PRESIDENT

Secy of Labor

Sen. Alan Cranston

Mr. Clarence Mitchell

Sen. Harrison Williams

Ms. Mildred Jeffrey

Mr. Stephen Schlossberg

Rep. Jim Wright

9:15 a.m.

Seating chart
Lobby Breakfast

Mr. Glenn Watts
Ms. Gail Dancker
Sen. Donald Riegle
Mr. David Fitzmaurice
Rep. Frank Thompson
Mr. Fred Kroll
Mr. John Fanning
Ms. Anne Zimmerman
Mr. Charles Pillard
Mr. Stu Eizenstat
Mr. Wes Pippert
Mr. Frederick O'Neal
Mr. Joseph Tonelli
Mr. Jacob Clayman
Mr. Dale Lastina
Mr. Robt. Georgine

Mr. C. L. Dellums
Mr. Kenneth Blaylock
Mr. Murray Finley
Mr. Peter Bommarito
Mr. Angelo Fosco
AL CHESSER
Mr. Robert Brown
Mr. Lane Kirkland
Mr. Thomas Gleason
Mr. Alvin Heaps
Mr. Wm. McClennan
Mr. John Lyons
Ms. Kathleen Nolan
Ms. Eleanor Smeal
Mr. Howard Lesnick
Mr. Stephen Paradise
Mr. John Rother
Mr. J. C. Turner
Mr. Wm. Wynn
Mr. Harry Poole
Mr. Tim Barnicle
Mr. Bill Eaton
Mr. Robt. Porter
Mr. Don Zimmerman
Ms. Eileen Thornton
Mr. Frank Swoboda
Mr. Rex Hardesty
Mr. Al Zack
Mr. Nick Edes

Sen. Claiborne Pell
Sen. Robert Stafford
Mr. Andrew Biemiller
Mr. Theodore Bikel
Mr. Paul Hall
Rep. Carl Perkins
Mr. William Guste
Mr. Lawrence Gold
Mr. Edward Hanley
Mr. George Hardy
Mr. Fred Feinstein
Lt. Gov. Thelma Stovall
Mr. Willard McGuire
Mr. Urban Lehner
Mr. Ben Wattenberg
Mr. Ron McDole
Mr. Theodore St. Antoine
Mr. Owen Ullman
Ms. Joyce Miller
Mr. Frank Raftery
Mr. Donald Shriver
Mr. Jerry Wurf
Mr. Wm. Winpisinger
Mr. Ray Denison
Mr. Michel Forscey
Mr. Charles Knapp
Mr. Kenneth Young
Mr. Paul Jensen

Mr. Herbert Alper
Mr. Sol Chaikin
Sen. Gaylord Nelson
Mr. Emmet Andrews
Mr. Thos. Donahue
Sen. Jacob Javits
Mr. Matthew Guinan
Ms. Carin Clauss
Mr. Alfredo Montoya
Ms. Helen Dewar
Mr. Brig Owen
Mr. Lance Gay
Mr. Wm. Sidell
Mr. Martin Ward
Mr. Victor Kamber
Mr. Howard Paster

THE WHITE HOUSE

WASHINGTON

May 9, 1978

Walt Wurfel

The attached was returned today and is forwarded to you for your information. The signed original has been given to Stripping for mailing.

Rick Hutcheson

cc: Stripping.

LETTER TO GENE PATTERSON

Susan signed

THE WHITE HOUSE

WASHINGTON

May 8, 1978

MEMORANDUM FOR THE PRESIDENT

From: Walt Wurfel *W*

Re: Proposed letter to Eugene Patterson

Patterson has written, following your appearance at the American Society of Newspaper Editors convention, that "I sense things are turning your way." His complimentary letter is attached. He and his paper, The St. Petersburg Times, have been consistent supporters of most of your policies.

I suggest you may wish to send him the attached letter.

THE WHITE HOUSE
WASHINGTON

May 8, 1978

MEMORANDUM FOR THE PRESIDENT

From: Walt Wurfel *W*

Re: Proposed letter to Eugene Patterson

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- I suggest you may wish to send him the attached letter.

AMERICAN
SOCIETY OF
NEWSPAPER EDITORS



Jody Powell
c/o The St. Petersburg Times
Post Office Box 1121
St. Petersburg, FL 33731

EUGENE PATTERSON
ST. PETERSBURG TIMES
President

JOHN HUGHES
THE CHRISTIAN SCIENCE MONITOR
Vice President

WILLIAM H. HORNBY
THE DENVER POST
Secretary

THOMAS WINSHIP
THE BOSTON GLOBE
Treasurer

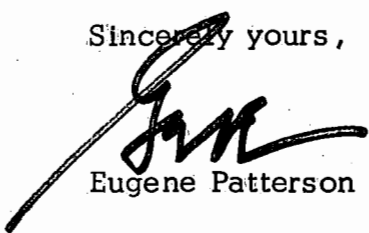
April 18, 1978

President Jimmy Carter
The White House
Washington, DC 20500

Dear Mr. President:

I am personally grateful to you for giving that splendid address before the ASNE convention. The stock market seems to have been listening too. Congratulations. I sense things are turning your way. I'm proud of you for not letting them grind you down in these first months of what I expect to be a great Administration.

Sincerely yours,


Eugene Patterson

THE BOARD OF DIRECTORS CONSISTS OF THE OFFICERS AND THE FOLLOWING:

CHARLES W. BAILEY
THE MINNEAPOLIS TRIBUNE

CHARLES L. BENNETT
OKLAHOMAN & TIMES

CREED C. BLACK
LEXINGTON (KY.) HERALD & LEADER

ROBERT CHANDLER
BEND (ORE.) BULLETIN

GEORGE CHAPLIN
HONOLULU ADVERTISER

ROBERT P. CLARK
COURIER-JOURNAL & LOUISVILLE TIMES

JOHN O. EMMERICH JR.
GREENWOOD (MISS.) COMMONWEALTH

CLAYTON KIRKPATRICK
CHICAGO TRIBUNE

MICHAEL J. O'NEILL
NEW YORK NEWS

JOHN C. QUINN
GANNETT NEWSPAPERS

CLAUDE F. SITTON
RALEIGH-NEWS & OBSERVER AND TIMES

RICHARD D. SMYER
OAK RIDGE (TENN.) OAK RIDGER

THE WHITE HOUSE

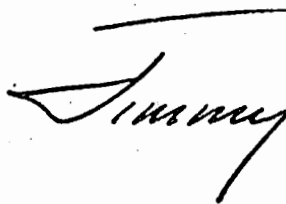
WASHINGTON

May 8, 1978

Gene
To ~~Eugene~~ Patterson

Thank you for taking the time to express those kind words. They are especially appreciated because they come from one who understands the burdens of presidential responsibilities.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jimmy", with a horizontal line above it.

Mr. Eugene Patterson
President and Editor
The St. Petersburg Times
Post Office Box 1121
St. Petersburg, Florida 33731

Thanks!

THE WHITE HOUSE

WASHINGTON

May 9, 1978

Richard Pettigrew

The attached was returned today and
is forwarded to you for your information.
The signed original has been given to
Stripping for mailing.

Rick Hutcheson

LETTER TO BUSINESS ROUNDTABLE

Susan signed

THE WHITE HOUSE

WASHINGTON

May 8, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

RICHARD A. PETTIGREW *lap*

SUBJECT:

Letter of Appreciation
to the Business Roundtable
for Endorsement of Civil
Service Reform

The Business Roundtable has endorsed and will lobby actively in support of the civil service package. They will also co-chair a lobbying coalition with Common Cause. I think the attached letter is appropriate. R.F. Barker, the addressee, chaired the committee of the Roundtable which developed that group's position. He is Chief Executive Officer of PPG Industries.

Attachment

THE WHITE HOUSE

WASHINGTON

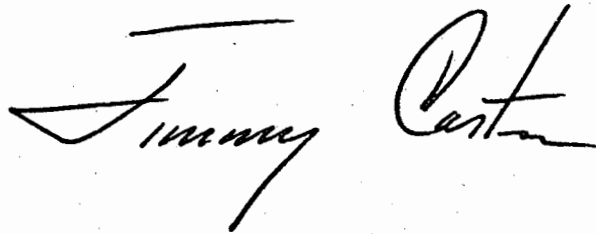
May 9, 1978

To Robinson Barker

I want to thank you for the support you have expressed on behalf of the Business Roundtable for the civil service reforms I have proposed to Congress.

The active support of the Business Roundtable will contribute greatly to prompt enactment of civil service reform. I appreciate your endorsement of this initiative as a fundamental step toward improving government performance.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

Mr. Robinson F. Barker
The Business Roundtable
1801 K Street, N.W.
Washington, D.C. 20006



The Business Roundtable

Irving S. Shapiro
Chairman

Reginald H. Jones
Cochairman

Thomas A. Murphy
Cochairman

NEW YORK
405 Lexington Avenue
New York, New York 10017
(212) 682-6370

G. WALLACE BATES
President

JAMES KEOGH
Executive Director—Public Information

RICHARD F. KIBBEN
Executive Director—Construction

WASHINGTON
1801 K Street, N.W.
Washington, D.C. 20006
(202) 872-0092

JOHN POST
Executive Director

May 5, 1978

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

I am forwarding to you copies of my letters to the respective chairman of those committees currently considering Civil Service Reform legislation.

The Business Roundtable is pleased to announce our strong support of your legislative proposals pertaining to these much-needed proposals and will cooperate to seek their quick and timely passage into law.

Very truly yours,

Robinson F. Barker
Chairman of the Board and
Chief Executive Officer,
PPG Industries, Inc.
and

Chairman, Committee on
Civil Service Reform of the
Business Roundtable

POLICY COMMITTEE: Irving S. Shapiro*, *Chairman* • Reginald H. Jones*, *Cochairman* • Thomas A. Murphy*, *Cochairman* • Ray C. Adam
• Frank T. Cary* • John D. deButts* • James L. Ferguson* • John D. Harper** • Robert S. Hatfield* • Frank R. Milliken* • Howard J. Morgens*
• David Packard* • Charles J. Pilliod, Jr.* • Donald V. Seibert* • William S. Sneath* • Edgar B. Speer* • J. Paul Austin • Robinson F. Barker
• William W. Boeschstein • Fletcher L. Byrom • John T. Connor • Justin Dart • Lewis W. Foy • Clifton C. Garvin, Jr. • Richard L. Gell
• W. H. Krome George • John W. Hanley • Edward G. Harness • Shearon Harris • Gilbert W. Humphrey • Ralph Lazarus • Donald S. MacNaughton
• Robert H. Malott • Roger Milliken • Ellmore C. Patterson • John J. Riccardo • Richard A. Riley • David Rockefeller • George A. Stinson
• W. Reid Thompson • Rawleigh Warner, Jr. • William L. Wearly • Arthur M. Wood • Richard D. Wood • Walter B. Wriston

*Executive Committee

**Senior Members



The Business Roundtable

Irving S. Shapiro
Chairman

Reginald H. Jones
Cochairman

Thomas A. Murphy
Cochairman

NEW YORK
405 Lexington Avenue
New York, New York 10017
(212) 682-6370

G. WALLACE BATES
President

JAMES KEOGH
Executive Director—Public Int

RICHARD F. KIBBEN
Executive Director—Construct

WASHINGTON
1801 K Street, N.W.
Washington, D.C. 20006
(202) 872-0092

JOHN POST
Executive Director

May 4, 1978

The Honorable Abraham Ribicoff
Chairman, Committee on Governmental Affairs
United States Senate
3308 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Mr. Chairman:

The Business Roundtable, founded in 1972, is an association of business executives dedicated to examining selected public issues, developing positions which seek to reflect sound economic and social principles, and making these positions known to the public and its representatives in government. Its headquarters are at 405 Lexington Avenue, New York City.

It was my pleasure to chair a committee which undertook a study of proposed legislation on Civil Service Reform. The committee recognized that no comprehensive approach could be totally acceptable to all groups concerned. It believes, however, that the proposals represent an appropriate balance between achieving two desirable objectives: more effective management and reasonable and fair protection of individual rights.

The Business Roundtable finds the concepts expressed highly consistent with recognized good personnel management practice. For this reason the Business Roundtable, while reserving its prerogative to debate, and possibly oppose, specific issues, endorses the general objectives of the Civil Service Reform package and urges prompt action by your committee to enact it into law.

POLICY COMMITTEE: Irving S. Shapiro*, *Chairman* • Reginald H. Jones*, *Cochairman* • Thomas A. Murphy*, *Cochairman* • Ray C. Ad
• Frank T. Cary* • John D. deBurts* • James L. Ferguson* • John D. Harper** • Robert S. Hatfield* • Frank R. Milliken* • Howard J. Morge
• David Packard* • Charles J. Pilliod, Jr.* • Donald V. Seibert* • William S. Sneath* • Edgar B. Speer* • J. Paul Austin • Robinson F. Ba
• William W. Boeschstein • Fletcher L. Byrom • John T. Connor • Justin Dart • Lewis W. Foy • Clifton C. Garvin, Jr. • Richard L.
• W. H. Krome George • John W. Hanley • Edward G. Harness • Shearon Harris • Gilbert W. Humphrey • Ralph Lazarus • Donald S. MacNaug
• Robert H. Malott • Roger Milliken • Ellmore C. Patterson • John J. Riccardo • Richard A. Riley • David Rockefeller • George A. Sti
• W. Reid Thompson • Rawleigh Warner, Jr. • William L. Wearly • Arthur M. Wood • Richard D. Wood • Walter B. Wriston

*Executive Committee
**Senior Members

In keeping with our traditional role which seeks to participate in the process to improve government and its functions, we are available to you, Mr. Chairman, your committee members and staff, as well as to the administration which supports this timely legislation to lend assistance and cooperation for its prompt enactment.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "R.F. Barker". The signature is fluid and cursive, with the first name "R.F." being more distinct than the last name "Barker".

Robinson F. Barker
Chairman of the Board and
Chief Executive Officer,
PPG Industries, Inc.

and

Chairman, Committee on
Civil Service Reform of the
Business Roundtable



The Business Roundtable

Irving S. Shapiro
Chairman

Reginald H. Jones
Cochairman

Thomas A. Murphy
Cochairman

NEW YORK
405 Lexington Avenue
New York, New York 10017
(212) 682-6370

G. WALLACE BATES
President

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Executive Director—Public Information

RICHARD F. KIBBEN
Executive Director—Construction

WASHINGTON
1801 K Street, N.W.
Washington, D.C. 20006
(202) 872-0092

JOHN POST
Executive Director

May 4, 1978

The Honorable Robert N. C. Nix
Chairman, House Committee on Post
Office & Civil Service
U.S. House of Representatives
309 Cannon House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

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*Executive Committee

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Sincerely yours,

Robinson F. Barker
Chairman of the Board and
Chief Executive Officer,
PPG Industries, Inc.

and

Chairman, Committee on
Civil Service Reform of the
Business Roundtable

THE WHITE HOUSE
WASHINGTON

May 9, 1978

Bob Lipshutz
Stu Eizenstat

The attached was returned in the President's outbox today and is forwarded to you for your information. The signed original has been given to Bob Linder for appropriate handling.

Rick Hutcheson

cc: Bob Linder

RE: CAB DECISION: US-ISRAEL STAND
BY FARES PROPOSED BY EL AL
ISRAEL AIRLINES LTD

THE WHITE HOUSE

WASHINGTON

May 8, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

STUART EIZENSTAT *Sty*
ROBERT LIPSHUTZ *RJ*

SUBJECT:

CAB Decision: U.S.-Israel Standby Fares
Proposed by El Al Israel Airlines Limited

The CAB proposes to suspend discount standby fares proposed by El Al Israel Airlines for service between New York and Tel Aviv. The CAB is recommending suspension of these discount fares proposed by U.S. carriers. The CAB believes that El Al's fare proposal should not be approved as long as Israel refuses to accept competitive low fares proposed by U.S. carriers. 2

The Departments of State, Justice, and Defense, OMB, and the National Security Council recommend that you approve the order by taking no action. Although the decision would amount to disallowing low fares, these agencies believe that we must defend the right of our carriers to offer competitive fares to match discounts offered by foreign carriers.

Three times in the last eight months, strong Presidential support for an aggressive, pro-competitive position has achieved our negotiating objectives:

1. You suspended British Airways Contract Cargo Rates until the British Government approved competitive discount rates offered by U.S. carriers. Within 90 days, the British Government complied.

2. You hinted at retaliatory action against British Caledonian Airways for the British Government's refusal to allow Braniff's low fares. The British thereafter accepted Braniff's fares.

3. You threatened retaliatory action against the Japanese until they allowed Flying Tiger route authority from Japan to Singapore. The Japanese complied.

The Department of Transportation recommends that you disapprove the CAB order because they are doubtful of its legality under the U.S. - Israel air agreement. DOT says Israel may disapprove a proposed fare for any reason and thus the U.S. cannot retaliate. (NOTE: Justice says the order is lawful and that El Al's fares can be suspended without showing Israel violated the bilateral agreement.) They argue that if we permit El Al's discounts, the Israelis might become more willing to allow other low fare options as their discounts prove beneficial. They also indicate that we can apply leverage on them by refusing to negotiate a new bilateral aviation agreement which the Israelis would like to negotiate.

We disagree with the Department of Transportation, and agree with other agencies who recommend approval of the CAB order. We should defend the right of U.S. carriers to offer their own competitive fares or they may be put at a competitive disadvantage. As soon as the Israelis allow TWA's discount fares, the CAB will approve the low fares offered by El Al.

Approve ✓

Disapprove _____

Sign Tab A

Sign Tab B

(We, State, Defense, Justice, NSC, and OMB recommend.)

(Transportation recommends.)

THE WHITE HOUSE

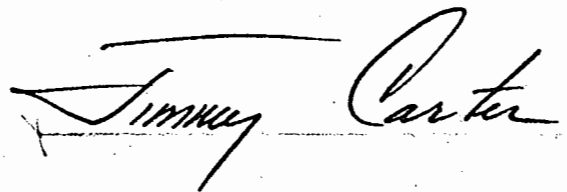
WASHINGTON

Dear Mr. Chairman:

I have reviewed your proposed order (Docket 32579) dated May 1, 1978, which suspends passenger fares filed by El Al Israel Airlines Limited.

As I indicated to you previously in approving your suspension of Contract Cargo Rates for British Airways (letter dated October 3, 1977), I am generally opposed to suspending low fares. In this case, however, our international aviation policy is better served by withholding our approval of these fares until the government of Israel approves the competitive and economic low fares of Trans World Airlines that offer even greater price and service benefits to air travelers. I also expect this issue to be resolved before other bilateral aviation issues are negotiated. Thus, for foreign policy reasons, I have decided to take no action and allow the Board's order to become effective.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

Honorable Alfred E. Kahn
Chairman
Civil Aeronautics Board
Washington, D.C. 20428

Electrostatic Copy Made
for Preservation Purposes

To Bob Lipschutz

This was a good
demonstration of your
wisdom and courage.

Thank you.

Jimmy Carter

R942R A374511YCU1UDYL
MIDEAST-MEETING
BY ROY GUTHMAN

WASHINGTON, MAY 9, REUTER - A SENIOR WHITE HOUSE AIDE WAS BOOED AND SHOUTED AT LAST NIGHT BY THE COUNTRY'S LEADING PRO-ISRAELI LOBBY GROUP WHEN HE DEFENDED PRESIDENT CARTER'S INTEGRITY AND SUPPORT FOR THE JEWISH STATE.

WHITE HOUSE COUNSEL ROBERT LIPSHUTZ HARDLY COULD BE HEARD ABOVE THE DIN AS HE VOICED "DEEP SORROW" OVER A STINGING ATTACK MADE AGAINST THE PRESIDENT AND NATIONAL SECURITY ADVISER ZBIGNIEW BRZEZINSKI BY SENATOR LOWELL WEICKER.

"SHUT UP AND SIT DOWN," SEVERAL OF THE 1,000 PEOPLE IN THE AUDIENCE SHOUTED AT THE ANNUAL DINNER OF THE AMERICAN-ISRAEL PUBLIC AFFAIRS COMMITTEE (AIPAC).

SENATOR WEICKER, A CONNECTICUT REPUBLICAN WHO EARNED A REPUTATION FOR FORCEFUL SPEECH DURING THE TELEVISED SENATE WATERGATE COMMITTEE HEARINGS, EARLIER ACCUSED MR BRZEZINSKI OF WANTING TO BREAK THE HISTORIC ALLIANCE WITH ISRAEL AND PRESIDENT CARTER OF TRYING TO TOPPLE ISRAELI PRIME MINISTER MENACHEM BEGIN FROM POWER. THE SENATOR WAS APPLAUDED LOUDLY WHEN HE CALLED FOR MR BRZEZINSKI'S RESIGNATION.

MORE 0314

R943R A3748121YCU1UZYR
MIDEAST-MEETING 2 WASHINGTON

HE SAID HE KNEW OF NO DIFFERENCE BETWEEN NATIONAL LEADERS WHO IN HISTORY HAD BLAMED THEIR PROBLEMS ON THE JEWS AND "THE SIGNALS BRZEZINSKI IS SENDING TODAY."

MR LIPSHUTZ, WHO SAT AT THE PODIUM BUT WAS NOT ON THE PROGRAM, ASKED TO REPLY. THE BOOING AND HISSING STARTED AS HE ROSE TO SPEAK.

"I WANT TO EXPRESS MY DEEP SORROW AT SOME STATEMENTS MADE BY SENATOR WEICKER. CRITICISM OF THE POLICY OF AN ADMINISTRATION IS LEGITIMATE. SOME OF WHAT WE HAVE HEARD GOES FAR BEYOND THE BOUNDS OF CRITICISM," HE SAID AS THE CATCALLS CONTINUED. "IT IMPUNES THE CHARACTER AND INTEGRITY OF THE PRESIDENT OF THE UNITED STATES."

MR LIPSHUTZ, DECLARING THAT HE WAS SPEAKING NOT ONLY AS A MEMBER OF THE ADMINISTRATION BUT ALSO AS A JEW, SAID SENATOR WEICKER WAS "DEAD WRONG" IN INTIMATING THAT THE ADMINISTRATION COULD CONCEIVE OF ABANDONING ISRAEL.

"IT IS UNWORTHY OF HIM AND OF THIS AUDIENCE.... IT IS AN ATTEMPT TO PLAY UPON THE DEEP EMOTIONS INVOLVED AND IT IS A DISSERVICE...." HE SAID BEFORE HE WAS DROWNED OUT BY THE CATCALLS.

MORE 0318

R944R A3764)3IYCUIVUUV

MIDEAST-MEETING 3 WASHINGTON

THE LONG STANDING OUVATION FOR SENATOR WEICKER, WHO LED OFF THE PROGRAM, AND THE HOSTILITY TOWARD MR LIPSHUTZ REFLECTED THE HIGH EMOTIONS IN PARTS OF THE AMERICAN JEWISH COMMUNITY ON THE EVE OF CONGRESSIONAL ACTION ON THE ADMINISTRATION'S PROPOSED MIDDLE EAST WARPLANES PACKAGE.

AIPAC HAS ORGANIZED THE PRINCIPLE CAMPAIGN AGAINST THE PACKAGE, WHICH INCLUDES THE SALE OF 60 F-15 JETS TO SAUDI ARABIA AND 50 F-5'S TO EGYPT, AND THE DINNER WAS ADVERTISED IN ADVANCE AS A FORUM FOR VENTING ANGER AT THE DEAL WHICH NOW APPEARS LIKELY TO GO THROUGH.

BUT THE CHARGED ATMOSPHERE AND THE OUTBURSTS OVER THE WEICKER SPEECH PROMPTED A MAJOR REVISION IN THE REST OF THE PROGRAM.

THE WHITE HOUSE EARLY A FORMAL RESPONSE EARLY TODAY TO SENATOR WEICKER'S CHARGE THAT THE ADMINISTRATION WANTED TO DISENGAGE FROM ITS ALLIANCE WITH ISRAEL.

"THESE KINDS OF FALSE, INFLAMMATORY STATEMENTS ARE UNWORTHY OF COMMENT AND COUNTERPRODUCTIVE TO A SERIOUS DISCUSSION OF THE MIDDLE EAST PROBLEM," SPOKESMAN JERROLD SCHECHTER SAID. "DR BRZEZINSKI HAS REPEATEDLY MADE IT CLEAR THAT THE U.S. COMMITMENT TO ISRAEL IS UNSHAKEABLE BECAUSE IT IS DERIVED FROM THE STRONGEST MORAL IMPERATIVES."

MORE 0330

R945R A3771)LIYCUIUWYD

MIDEAST-MEETING 4 WASHINGTON

SENATOR DANIEL PATRICK MOYNIHAN (DEMOCRAT-NEW YORK) PUT ASIDE HIS PREPARED SPEECH AND DELIVERED A SHORT TESTIMONIAL TO THE PRESIDENT, MR BRZEZINSKI AND SECRETARY OF STATE CYRUS VANCE. HE SAID ALL THREE WERE "MEN OF TRANSPARENT INTEGRITY."

ALSO TONING DOWN HIS SPEECH WAS THE FEATURED GUEST, LIEUTENANT GENERAL MORDECHAI GUR, WHO RETIRED A FEW WEEKS AGO AS THE ISRAELI MILITARY CHIEF OF STAFF.

IN PREPARED REMARKS DISTRIBUTED BEFORE THE DINNER, GENERAL GUR SAID ISRAEL, WHICH WOULD RECEIVE 15 F-15S AND 75 F-16S, SHOULD ACCEPT NO PLANES RATHER THAN BE PART OF A PACKAGE ARRANGEMENT WITH THE TWO ARAB COUNTRIES. HE ALSO ACCUSED THE UNITED STATES OF INCREASING THE THREAT TO ISRAEL BY ITS SUPPORT OF EGYPT, JORDAN AND SAUDI ARABIA.

BUT IN HIS DELIVERED REMARKS, GENERAL GUR SAID ISRAEL WANTED ITS PLANES. HE SAID DELIVERY OF THE JET-FIGHTERS TO SAUDI ARABIA WOULD MAKE THAT COUNTRY A CONFRONTATION STATE WITH ISRAEL AND HE ASKED HOW ISRAEL COULD BE EXPECTED TO RETURN ITS AIRFIELD AT EILAT IN THE SINAI DESERT IF EGYPT AND SAUDI ARABIA RECEIVED THE PLANES.

ALTOGETHER 35 MEMBERS OF CONGRESS, INCLUDING SEVEN SENATORS, ATTENDED THE DINNER.

REUTER 0334

R946R I3756IYCUIVUCYN

THE WHITE HOUSE
WASHINGTON

May 9, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE *F.M./BR*

For your information

1. Airline deregulation was voted out of subcommittee today by voice vote and will be taken up by full committee this Thursday, May 11, or next Tuesday, May 16.
2. The energy conferees have adjourned for the day and will reconvene tomorrow at 2:00 p.m. There were no votes taken today.

THE WHITE HOUSE
WASHINGTON

5/11/78

Mr. President:

No comments from Jody,
Phil or Hamilton.

Rick

U. S. DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY
WASHINGTON

May 9, 1978

C/

MEMORANDUM FOR THE PRESIDENT

FROM: RAY MARSHALL *Ray*
SUBJECT: Labor Law Reform

Recommended Presidential actions on Labor Law Reform:

- 1) Schedule a meeting next week with the victims of labor law violations to let you hear first hand what these workers have to say. This event should be well publicized.
- 2) Begin your next press conference with a statement on labor law reform. Ideally, this should be made from the perspective of a businessman. Could also stress results of meetings with victims of labor law violations.

ID 782428

T H E W H I T E H O U S E

WASHINGTON

DATE: 09 MAY 78

FOR ACTION: HAMILTON JORDAN

JODY POWELL

PHIL WISE

INFO ONLY: THE VICE PRESIDENT

STU EIZENSTAT

FRANK MOORE (LES FRANCIS)

FRAN VOORDE

SUBJECT: MARSHALL MEMO RE LABOR LAW REFORM

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM THURSDAY 11 MAY 78 +
+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. (☒) NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

May 9, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: RAY MARSHALL *RM*

SUBJECT: Labor Law Reform

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THE WHITE HOUSE

WASHINGTON

May 11, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT *Sh*

SUBJECT:

Suggested Labor Law Reform
Meetings

I recommend against a meeting with workers or a press conference statement. The battle over Labor Law Reform has now narrowed to a half a dozen Senators. Their votes won't be affected by Presidential publicity. More publicity is of little value in increasing our "good will" from the AFL-CIO. The AFL-CIO's view of our commitment on this issue will depend on our willingness to use maximum pressure to help stop the filibuster. And from a national political standpoint the less visible you are on this divisive issue, the better.

*re'd
for
Cate*

THE WHITE HOUSE
WASHINGTON

Labor law reform mtg 5/9/78

Major part of agenda

long, bitter battle

th personally

Speed up processes

law abiding company - no fear

Unfair procedural delays

no weapon in disputes

Workers illegally fired

wait - months, years

Does not imbalance labor law

Human Rts, unemployment,

min wage →

anti-inflation

5/15 - Byrd

2351

THE WHITE HOUSE
WASHINGTON

May 9, 1978

Jim McIntyre

The attached was returned in the President's outbox today and is forwarded to you for your information. The signed original has been given to Bob Linder for appropriate handling.

Rick Hutcheson

cc: Bob Linder

RE: ANTI-INFLATION PROGRAM:
FEDERAL PROCUREMENT
INITIATIVES



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

MAY 08 1978

MEMORANDUM FOR THE PRESIDENT

FROM: James T. McIntyre, Jr. *Jim*
SUBJECT: Anti-Inflation Program:
Federal Procurement Initiatives

Attached, for your signature, is a memo to executive departments setting in motion two anti-inflation initiatives through Federal contracts, as announced in your speech:

Delay or avoid purchases of goods or services
whose prices are rising rapidly

Decelerate the escalation clauses in Federal
contracts

The memo has been reviewed and agreed to by CEA and COWPS. The program will be centrally managed and coordinated through OMB's Office of Federal Procurement Policy. The purchasing adjustments will provide us with regular opportunities -- perhaps bimonthly -- to remind the public that we are adjusting our behavior to cope with inflation as we delay purchases or find substitutes. We will coordinate these actions directly with Bob Strauss and the White House press office.

One other point: I feel you should play up the deceleration in contract clauses. We will be taking 1/2 to 1 percent off the indices allowed for inflation in new or renegotiated contracts, literally asking industry to pay an estimated \$30 to \$60 million dollars as their share in the inflation fight. You should publicize this fact more to counterbalance criticism that our efforts have hit only Federal employees. We are also outlining possible actions to alleviate inflationary discrepancies in the way the Federal Government makes wage determinations for several million private sector employees in construction and service contracts to provide you with other options to balance the anti-inflation program.

Recommend you sign the memo.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE HEADS OF

EXECUTIVE DEPARTMENTS AND AGENCIES

Inflation is a corrosive nation-wide problem, and yet the Federal Government's direct control over wages and prices is limited. If we are to expect labor and industry to join in voluntary restraints, then we must lead the way where we can.

I have already ordered pay raises reduced for Federal employees. To complement and balance this constraint on labor in the public sector, I am now ordering additional anti-inflation actions through the Federal Government's \$81 billion annual purchases of goods and services.

Like any consumer, the Government must react to high costs and the inflationary spiral. If goods or services are priced too high, the Government must decide whether it can do without certain things, or whether it can delay purchases. Therefore, I hereby direct all Agencies to avoid or delay the purchase of those goods or services whose prices are rising rapidly. The only exceptions will be where such action (1) would seriously jeopardize our National defense, or (2) would cause serious and counterproductive unemployment problems; and suitable alternatives or substitutes are not available.

In addition, I am directing that price escalation clauses of all new or renegotiated Federal contracts reflect the principle of deceleration. This will slow the built-in spiral of inflation in several billion dollars worth of purchases.

These new procurement procedures, and others to come, will be carried out by OMB's Office of Federal Procurement Policy in cooperation with the Agencies.

Jimmy Carter

THE WHITE HOUSE
WASHINGTON

Les has been given copy

THE WHITE HOUSE

WASHINGTON

May 5, 1978

~~Confidential~~
good info -
let - J
need a
complete list
J

MEMORANDUM FOR THE PRESIDENT

THROUGH: FRANK MOORE

FROM: LES FRANCIS *Les Francis*

SUBJECT: Analysis of Support for the Administration
in the House of Representatives

I. INTRODUCTION

It has been seven months since we last did a computer-based analysis of voting support in the Congress. This report will focus solely on the House; a similar examination of Senate voting patterns will be forthcoming.

Before proceeding with the analysis itself, I want to make a few preliminary points: The votes used in this analysis total 47. (We used only 34 recorded votes in the October report.) The roll calls used are those that we believe represent a cross-section of issues with which the White House was clearly identified. Of course, a Member's voting record is just one way of measuring his/her support of the Administration's legislative program.

Among all Democrats, we are receiving an average level of support of 71.9%. The Republican average is only 28.1%.

II. LEVELS OF SUPPORT ACCORDING TO GEOGRAPHY

Using the regions adopted by the DNC, support shows that we are strongest among Democratic Members in the Northeast and weakest in the Southwest. Among Republicans, we also do best in the Northeast and worst in the Southwest.

Regionally, the figures are as follows:

REGION	DEMOCRATS ^{SINCE} 10/77	REPUBLICANS
Northeast	89.0 up	47.8 up
Mid-Industrial	85.4 up	29.7 up
Mid-Atlantic	82.4 up	39.1 up
Northwest	81.9 up	20.7 down
Far West	79.3 up	15.2 down
Plains	76.9 up	21.4 up
Southeast	54.3 same	18.8 down
Southwest	39.7 up	11.2 down
AVERAGE	71.9 up	28.1 up

"DETERMINED TO BE AN ADMINISTRATIVE MARKING
CANCELLED PER E.O. SEC. 1.2 AND
ARCHIVIST'S MEMO OF MARCH 10, 1993"

III. LEVELS OF SUPPORT ACCORDING TO SENIORITY

I have assumed all along that the highest level of support for your programs would come from the younger, less senior Members of the House, primarily those elected since 1970. Further, I have maintained that those elected in 1974 and 1976 would be our strongest, most natural allies. Upon examination, however, I find that my assumptions have been only partially correct.

It is true that those elected in 1974 (the 94th or "Sophomore" class) have been the single most supportive group (by level of seniority), and the margin above average is considerable. However, among other relative "newcomers" we are not doing as well.

By seniority, Democratic support is as follows:

<u>Level of Seniority</u>	<u>Level of Support</u>
One term (1976)	71.4
Two terms (1974)	78.3
3 or 4 terms (1970 & 72)	68.9
5 or 6 terms (1966 & 68)	64.4
7 terms (1964 - the "LBJ landslide")	73.8
8 or 9 terms (1960 & 62)	73.1
10-15 terms (1948 to 1958)	75.6
16 or more terms (prior to 1948)	39.3
AVERAGE DEMOCRATIC SUPPORT	71.9

IV. SUPPORT BY COMMITTEE CHAIRMEN

Among 30 Committee Chairmen (all Democrats) we have done relatively well (4.9% above average):

<u>Chairmen</u>	<u>Level of Support</u>
Ashley	88.9
Boland	92.9
Bolling	97.4
Brooks	55.8
Delaney	86.7
Diggs	91.7
Flynt	21.3
Foley	82.6
Giaimo	93.2
Johnson (CA)	78.6
Mahon	34.1
Murphy (NY)	81.6

IV. SUPPORT BY COMMITTEE CHAIRMEN (CONTINUED)

<u>Chairman</u>	<u>Level of Support</u>
Nedzi	93.6
Nix	84.1
Pepper	82.9
Perkins	84.4
Preyer	78.7
Price	80.0
Reuss	91.3
Roberts	22.7
Rodino	97.8
Smith	80.5
Staggers	76.5
Stokes	93.3
Teague (absent for 35 out of 47 votes)	0.0
Thompson	97.4
Udall	93.0
Ullman	84.8
Wolfe	87.2
Zablocki	72.3
AVERAGE	76.8

V. SUPPORT BY "IDEOLOGICAL" CATEGORIES

As was the case in our October analysis, we find that your most consistent allies on floor votes are those most commonly regarded as "liberals." Those at the "conservative" end of the spectrum tend to be less supportive.

A list of those Democrats whose support level is 95% or better reads like a "Who's Who of Liberals in the House":

<u>Member</u>	<u>Level of Support</u>
Bingham (NY)	97.8
Rodino (NJ)	97.8
Moorhead (PA)	97.8
Tsongas (MA)	97.7
Eckhardt (TX)	97.7
Richmond (NY)	97.6
Mikva (IL)	97.6
Fraser (MN)	97.6
Dodd (CN)	97.6
Bolling (MO)	97.4
Vanik (OH)	97.4
Thompson (NJ)	97.4

V. SUPPORT BY "IDEOLOGICAL" CATEGORIES (CONTINUED)

<u>Member</u>	<u>Level of Support</u>
McHugh (NY)	97.4
Ammerman (PA)	95.7
Vento (MN)	95.7
Solarz (NY)	95.7
Seiberling (OH)	95.7
Rosenthal (NY)	95.7
Pattison (NY)	95.7
Moffett (CN)	95.7
Fascell (FL)	95.7
Blanchard (MI)	95.7
Edwards (CA)	95.7
Brademas (IN)	95.7
Beard (RI)	95.6
Moakley (MA)	95.5
Mitchell (MD)	95.5
Meyner (NJ)	95.5
Maguire (NJ)	95.5
Downey (NY)	95.5
Edgar (PA)	95.3
Corman (CA)	95.2

Democrats with the lowest levels of support come from the more conservative ranks and are concentrated in the South and Southwest. Those scoring less than 30% are:

<u>Member</u>	<u>Level of Support</u>
Jones (OK)	28.3
White (TX)	26.1
de la Garza (TX)	26.1
Bowen (MS)	26.1
Whitten (MS)	24.4
Nichols (AL)	23.1
Roberts (TX)	22.7
Huckaby (LA)	21.7
Kazen (TX)	21.7
Breaux (LA)	21.6
Flynt (GA)	21.3
Milford (TX)	21.1
Hall (TX)	20.9
Chappell (FL)	20.0
Ichord (MO)	19.5
Montgomery (MS)	17.9
Waggoner (LA)	17.8
Watkins (OK)	16.3
Runnels (NM)	14.6

V. (CONTINUED)

<u>Member</u>	<u>Level of Support</u>
McDonald (GA)	13.3
English (OK)	12.8
Stump (AZ)	12.5
Daniel (VA)	10.6
Burleson (TX)	9.1
Satterfield (VA)	8.7
Poage (TX)	5.9
Teague (TX)	0.0

While Republicans show a very low average level of support, a few Members on that side of the aisle stand out as solid -- or relatively solid -- supporters of your program. They are:

Whalen (OH)	94.7
Heckler (MA)	79.5
Conte (MA)	78.7
McCloskey (CA)	72.1
Steers (MD)	71.1

VI. CONCLUSION

Realizing that floor votes are just one index by which we can measure support, these figures can, nevertheless, be instructive.

Our legislative program, no matter how it is packaged, appeals to mainstream and progressive Democrats; it is not a conservative program and therefore meets with a high level of disapproval from those Democrats and Republicans who are the most conservative. As we develop strategy on legislative initiatives, we must be ever mindful of where our "natural" strength resides.

In view of the philosophical or ideological schism identified in this analysis, we must utilize additional tools in order to woo those House Democrats who have demonstrated a low level of support to this point. I am sure we can develop several techniques, but I would suggest the following for "starters":

- More "one-on-one" meetings between you and those at the "bottom end" of the scale.
- Some regional and state-level meetings with those from Southeast and Southwest.
- Some Presidential travel into the Southeast and Southwest, the specific purpose of which would be to generate increased public support for our programs.

- Activate the Carter campaign supporters from those states in which we are having the greatest "Congressional difficulty." They should be encouraged to put some "heat" on their Congressmen.

Finally, I suggest that we do even more to cultivate those who have been generally supportive; we never want to take them for granted and, in addition, perhaps they can be enlisted to work with (and on) their colleagues.

cc: Vice President
Hamilton Jordan
Stu Eizenstat
Jody Powell
Tim Kraft

WASHINGTON

DATE: 09 MAY 78

FOR ACTION:

~~SECRET~~

INFO ONLY: THE VICE PRESIDENT

STU EIZENSTAT

HAMILTON JORDAN

TIM KRAFT

JODY POWELL

SUBJECT: LES FRANCIS MEMO RE ANALYSIS OF SUPPORT FOR THE
ADMINISTRATION IN THE HOUSE OF REPRESENTATIVES

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: +
+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

DECLASSIFIED
E.O. 12356, SEC. 3.4(b)
WHITE HOUSE GUIDELINES, FEB. 24, 1993
BY Syn DATE 5/21/90